The China Weekly REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

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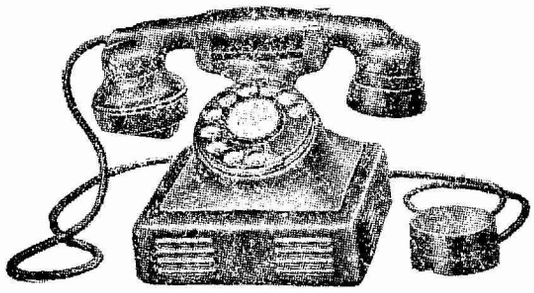

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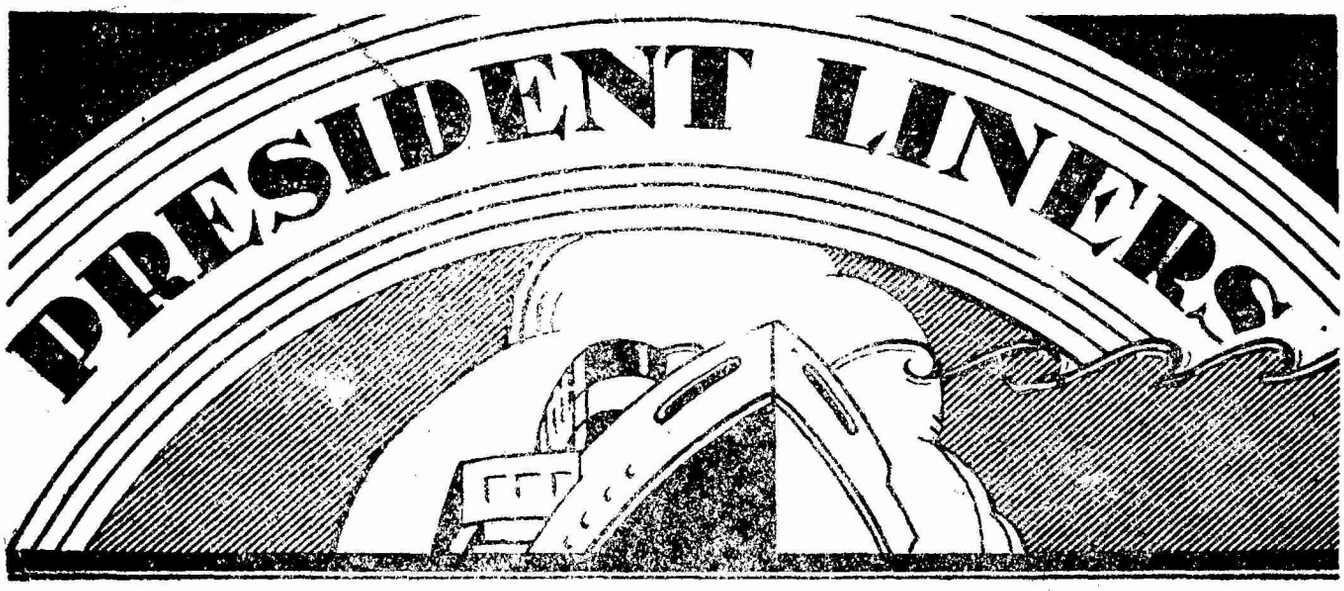

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J. J. Underwood—Correspondent
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RADEK EXPOSES SOVIET MOTIVE FOR SALE C. E. R. TO JAPAN

WHEN Karl Radek, contributing editor of *Izvestia*, leading Soviet organ, declared that no serious-minded or really patriotic Chinese objected to Russia's sale of the Chinese Eastern Railway to Japan, his statement was based either upon monumental ignorance or was a deliberate mis-statement of fact. A careful perusal of the Chinese newspapers, both supporters or opponents of the National Government, has failed to disclose a single voice in support of the recent Soviet action. Even Eugene Chen, a consistent advocate of close relations between China and the U. S. S. R. has voiced his opposition in the recent declaration of the Southwest Political Council, a document which Chen drafted, and in addition as a member of the Canton group he undoubtedly must have had a voice in Canton's recent retaliatory decision to bar Soviet products from the southern Chinese provinces. Madame Sun Yat-sen, another outstanding advocate of close Sino-Soviet relations, has not as yet made any declaration on the subject of the sale of the C. E. R. to Japan and while she probably would not like to see the Soviets endanger their political future by engaging in war with the Tokyo militarists, it is extremely doubtful whether Mrs. Sun would approve of Moscow's purchase of peace through the disposal to Japan of a valuable railway property in which the Chinese people have an obvious interest. But regardless of Madame Sun's views *The Review* would be willing to venture that Mr. Radek will not find a half dozen "serious-minded and really patriotic Chinese" in the entire country who would approve of the Soviet action. We would go still further and be willing to wager that not even the so-called "red" leaders in Kiangsi, supposed allies of Moscow, would voice their approval of Litvinoff's offer to sell the C. E. R. to the Japanese. As a matter of fact the only Chinese in the entire country who could possibly approve of the action of the U. S. S. R. would be those who are in the pay of the Japanese in Manchukuo. We therefore repeat our previous statement that Mr. Radek's declaration was based either on stupidity or on a desire to mislead his public.

But Mr. Radek's statement which was circulated to the Shanghai press by the official Tass service on May 20 displayed more than stupidity. It really let the cat out of the bag as to Moscow's double motives in offering to dispose of the

C. E. R. to Japan. Moscow's initial motive, undoubtedly, was fear of Japan for Litvinoff's offer to sell was made only a few hours before the expiration of the Japanese ultimatum and *after he had informed the Chinese Ambassador in Moscow that Russia had no intention of disposing of the railway to Japan.* Another motive, clearly disclosed in Karl Radek's declaration, was Moscow's revenge for Nationalist China's action in 1927 in kicking the Soviet communists out of the country. This was indicated in Radek's statement, "were it not for the criminal policy which in 1927 broke China's national front, China would today represent a force which the imperialists of all countries would have to reckon with." In other words the Soviets have taken advantage of the opportunity at this late date to repay China for China's action in kicking Messrs. Borodin and the other communist intriguers out of the country.

But behind all of Moscow's and Tokyo's diplomacy is the obvious tendency on the part of both Russia and Japan to get together and compose their differences at China's expense. In this respect there is much similarity with respect to the situation which developed in 1909 when Secretary of State Knox proposed the "neutralization" of the Manchuria railways as a means of putting an end to nationalistic rivalries in that territory. A group of American financiers were interested in the construction of a railway from Chinchow on the Gulf of Liaotung (near Hulutao) in southern Fengtien province to Aigun on the upper Amur in Heilungkiang province, opposite the Russian city of Blagoveshchensk. When the plan was brought to the attention of the State Department, Secretary Knox proposed a far-reaching scheme of neutralizing the railways in Manchuria by lending China the money to take them all over, including the Russian-owned C. E. R. and the Japanese-owned South Manchuria line. Under the proposal, China would employed foreign technical experts of various nationalities to supervise the operation of the various lines until the loan had been repaid. The Knox plan, had it been put into effect, would have eliminated nationalistic rivalries such as resulted from the operation of the Czarist-owned and operated C. E. R. and the Japanese-owned and operated S. M. R., and would have converted all the railway lines into purely commercial enterprises, thus preventing an infringement of China's territorial and administrative sovereignty. But the Knox scheme was killed by the united opposition of both Russia and Japan, neither of which nations was willing to give up its imperialistic ambitions in China's northeastern provinces. On July 4, 1910 Russia and Japan signed a convention for "joint-action" in Manchuria which amounted to a division of the territory between them, which agreement was followed in 1916 by a secret compact wherein Russia and Japan recognized each other's "interests" and agreed to combine against any third party which might interfere with their activities. This alliance was undoubtedly directed against both the United States and China.

The recent refusal of the U. S. S. R. to cooperate with the League and the United States on the Manchuria issue, plus Moscow's recent offer to sell the C. E. R. to Japan, indicates quite clearly that Moscow despite repeated assurances to the contrary, is reverting to the old Russian imperial policy in Asia. Reduced to simple language this means that Russia will oppose Japan for the domination of Manchuria, but when it comes to a crisis, Russia will combine with Japan at China's expense, rather than risk an outright break with the Island Empire. This was indicated quite clearly in Litvinoff's cynical statement that China had forfeited her rights in the C. E. R. because of her inability to defend herself against Japanese imperialism and by Karl Radek's insulting declaration that "when the Chinese return to Harbin on their white horses, they will still find the railway there." And while all this is going on we find the Soviet Ambassdor, Mr. Bogomolov in Nanking announcedly trying to establish closer relations with China as a means of promoting the so-called "peace of Asia."

K. K. KAWAKAMI'S NEW BOOK AND JAPANESE INTRIGUE IN CHINA

JAPANESE propaganda books issued for American consumption usually have an extensive distribution because the Tokyo Foreign office has a fund for that purpose. Large numbers are purchased and distributed gratis to libraries, newspaper offices, government bureaus and elsewhere and in addition further large numbers are shipped to Japan to be distributed throughout the Far East. For example, all newspaper correspondents, magazine writers or reporters who have called at the Tokyo War Office in recent months have been provided with a free copy of a book by a certain American writer who did a very good job in presenting Japan's case on the Manchurian issue.

We mention this point for two reasons, the first being that Japan's readiness to purchase large numbers of books favorable to her point of view, has an important psychological effect in publishing circles in New York, causing the proprietors of said publishing houses to look favorably upon manuscripts of a "pro-Japanese" flavor because by accepting such manuscripts for publication they are assured of an immediate profit. We obviously do not wish to infer that New York publishing houses thus deliberately lend themselves to Japanese propaganda, but it is an obvious fact that if a publishing house was presented with two manuscripts for publication in book form, one giving the Japanese point of view and the other the Chinese point of view, the managers of the publishing house probably would be more inclined to acceptance of the Japanese book because of the knowledge that the Tokyo Foreign Office, directly, or indirectly, would purchase say 10,000 copies for free distribution. Our second reason for mentioning this matter is that we wish all of the thousands of persons in America, who have received free copies of Mr. Kawakami's new book, "Manchukuo—Child of Conflict" could at the same time read an article dealing with Japanese intrigue in China which was published in the May 16 issue of the *People's Tribune* and reprinted in this week's issue of *The Review.* We express this wish because the article by a Chinese writer dealing with Japanese intrigue in China is the best possible answer to

Mr. Kawakami's explanation of the reasons for Japan's occupation of China's northeastern provinces and the establishment of a puppet government in that region. For example, Mr. Kawakami declared that it was impossible for Japan to deal with China in ordinary diplomatic manner "because China is a house divided against itself, not only between North and South, but between East and West, northeast and northwest, southeast and southwest. China is a chaotic void."

In making this declaration, Mr. Kawakami stated an obvious fact, but he did not state the equally obvious fact that 90 percent of Chinese chaos is due to Japanese intrigue in China. This point is well covered in the article from the Chinese magazine dealing with Japanese intrigue, hence our expressed wish that those who read Mr. Kawakami's exposition of Japan's motives in Manchukuo, could also read the article by the Chinese writer who declared, "Japan's policy since the establishment of the republic has been persistently aimed at perpetuating civil strife in China with a view to preventing China's national unification and consolidation.....it always has been Japan's policy not so much to support one faction against the other, but rather to render assistance simultaneously to both sides so that neither could be fatally crushed and the civil war thus kept going, leading ultimately to a complete national disintegration."

Mr. Kawakami's book is largely the Japanese reply to the action of the League and the United States in refusing to condone Japan's wholesale treaty violation and seizure of Chinese territory and in this defence Mr. Kawakami falls back on the familiar Japanese argument that conditions in the Orient are "peculiar" and are not to be judged in accordance with rules applied to the rest of the world. This familiar Japanese attitude was again displayed in Japan's recent reply to President Roosevelt's declaration on limitation of armament. Japan could not accept the proposal because conditions in the Far East are "peculiar." For example in Mr. Kawakami's reference to the recommendations of the League commission that Japanese troops in Manchuria be withdrawn to their original positions within the zone of the South Manchuria Railway, he declared that the Japanese army could not comply with this recommendation because "chaos and anarchy" would be certain to follow the withdrawal of the Japanese troops. Of course it would, but he neglected to state that the said chaos and anarchy were created by the original action of the Imperial Japanese Army in invading the country in the first place. George Bronson Rea, who holds the position of counsellor to the puppet state of Manchukuo, was really more ingenious in his explanation. He put it this way: "The Japanese army was in Manchuria for the protection of Japanese interests. When the Chinese authorities fled it left Manchuria without a government. There was a vacuum that had to be filled and the leaders of the downtrodden people in Manchuria hailed the opportunity as one sent from heaven to escape from their bondage." Neither Kawakami or Rea, for obvious reasons, took the trouble to explain that the so-called "Mukden incident" on the night of Sept. 18, 1931, was framed by the Imperial Japanese Army with the object of creating the state of chaos or political vacuum that made it necessary for the Japanese war-lords to step in and create a puppet state controlled by the Japanese war lords.

Kawakami contends that it now devolves upon Japan to assume the so-called white man's burden in Asia, otherwise the overhauling and rejuvenation of the Chinese nation. This is Japan's "real object" in Manchukuo and if the world will but give her time and benevolent assistance, she will do the job well. In fact he quoted a dispatch to the *New York Times* by Hallet Abend as proof that the work is well under way. Mr. Kawakami, is, however, seriously worried because of the Chinese lack of appreciation as displayed in the nation-wide boycott of Japanese goods. Also, he is more or less disgusted with the failure of occidentals to sympathize with Japan's viewpoint that Chinese boycotts should be suppressed through united international action. In this regard he ventures a significant Japanese threat, that if the Powers will not cooperate with Japan in suppressing the boycott, that Japan will be compelled to retaliate by dumping her cheap goods on the international market. This information should prove valuable for the forthcoming World Economic Conference in London, for Kawakami declared that this "international readjustment" of her trade to make up for Chinese losses is already in process of accomplishment. For example, from January to August last year, Japan's trade with China, because of the boycott, fell off 50,219,000 yen, hence Japan was compelled to make up for this loss by dumping her goods into the territories of other countries to the total of 58,892,000 yen. However, we imagine this situation will not continue indefinitely for British India already has adjusted its tariff to prevent Japanese dumping and other nations will adopt similar policies in due course. As for Japan's refusal to consider America's or Britain's disarmament proposals, there is only one practical answer to this and that is a race in armament construction, the probable outcome of which requires no elaboration on our part.

Due to the preoccupation of the rest of the world with its own problems, there doesn't seem to be any early prospect of outside interference with Japanese intrigue and intervention in China, hence we imagine the Japanese war-lords will continue their present course until they bankrupt their own country through the heavy expense of military activities, plus the complete loss of the Chinese market due to China's entire disintegration. As for Manchukuo which the Japanese already have to do with as they wish, it is a frontier undeveloped territory which will require the investment of hundreds of millions of dollars over a long period of years before it can possibly pay the Japanese any dividends. In the meantime the "paradise" does not seem to be developing in accordance with original Japanese expectations for the so-called banditry situation seems to grow steadily worse despite the "pacifying" activities of the Imperial Japanese Army. Under the previous Chinese regime, banditry was a sort of household industry, the Chinese confining their activities to their own nationals. Now the bandits have become "patriots" and conduct their

activities against the Japanese and other foreigners. According to the latest news reports there are some half-dozen foreigners now being held for ransoms in various parts of the country.

CHINA WOULD SEND INVESTIGATING BODY TO MEXICO

A *Kuomin* report from Nanking on May 19 stated that Gen. Chin Shu-jen, head of the Overseas Affairs Committee, had requested the authorities for permission to send an official commission of inquiry to Mexico for the purpose of investigating Mexico's persecution of Chinese citizens. In addition to this action the Executive Yuan appropriated the sum of $10,000 for relief of destitute Chinese who recently arrived in Shanghai from various parts of the Mexican Republic, while Gen. Chiang Kai-shek contributed a similar amount and Sun Fo, head of the Legislative Yuan contributed $1,000 to the fund. Most of the Chinese refugees who have arrived from Mexico are natives of Kwangtung province and according to report many of them brought wives of Mexican blood with them and these women also are in destitute circumstances. Practically all of the refugees were deported across the Mexican border into the United States where they were provided with transportation to Los Angeles and San Francisco, from which points they have been brought back to China by the steamers of the Dollar line. According to a recent report from Washington, the U. S. Immigration Bureau expended the sum of G.$250,000 in food and transportation for the Chinese who were deported from Mexico across the Rio Grande border into American territory. Several days ago representatives of the various groups which have arrived in China issued a statement charging that out of some 20,000 Chinese nationals in Mexico, some 4,000 have been expelled for various reasons. They claim the Mexican Government had enforced special legislation against Chinese shop-keepers requiring that 80 percent of the employes of each shop had to be Mexican nationals and requiring each proprietor to pay a tax equivalent to G.$100 a year. The declaration charged that most of the Chinese troubles had resulted from a Mexican politician named Manuel Salazar who had organized an anti-Chinese association with himself as chairman. Recently he was appointed mayor of Sonora, following which anti-Chinese disturbances broke out in the district. It was also charged that in many cases all their properties were confiscated. The Municipality of Greater Shanghai recently requested public bodies to supply funds to provide transportation for the refugees back to their home districts in Kwangtung.

According to a recent report from Nanking most of the cases of persecution of Chinese citizens have taken place in the provinces of Sonora and Sinola and have been due to the activities of local politicians over which the central Mexican government claims to have no authority. Out of an original Chinese population of some 150,000 only some 20,000 now remain and according to latest reports most of them may have to depart shortly. Most of the trouble has come from the enforcement of recently enacted labor laws directed at the Chinese and heavy discriminatory taxes as well as health regulations. Whenever the Chinese Government has lodged protests with the authorities in Mexico City, the reply has been that the central government lacked authority over the provincial rulers. Once the Chinese Government requested the good offices of the United States Government, but this likewise did little good; hence the Chinese Government is now planning to bring the matter to the attention of the League. All efforts to reach a mutual understanding through a treaty arrangement between China and Mexico have proved futile because of the lack of Mexican interests or Mexican nationals in China. With regard to a charge that there are several hundred Mexican women who have been brought back to China by the Chinese deportees and abandoned, the Chinese authorities have questioned the accuracy of the report. It was stated that while some of these women had been legally married to Chinese, most of them had not been and had merely followed the Chinese back to China where they quickly found themselves in destitute circumstances. Aside from the Mexican diplomatic and consular officials in China, the only Mexican citizen who has resided in China in recent years was Manuel Garcia who was convicted in the local Chinese court for the alleged operation of a gambling establishment in the Shanghai International Settlement and served a term in the local municipal prison. Garcia returned to Mexico several months ago but it has been denied that the recent Mexican action against Chinese settlers was in the nature of retaliation for his conviction in the Chinese court.

Mexican consular officials in China claim to be without official information regarding the complications of Chinese residents in that country but state that recent legislation has been enacted enabling Chinese, under certain conditions to become citizens of Mexico in which case they would not be subject to special legislation directed against aliens. The real cause of the trouble seems to be a mixture of Mexican extreme nationalism and difficult economic conditions. Chinese emigrants to Mexico, as in other countries have contributed much to the wealth of the country and in the process have acquired considerable property themselves. The Mexican revolution has resulted in the development of extreme nationalism among the Mexican peons and now that economic conditions have become difficult, they are obviously trying to expel the Chinese in order to monopolize the business for themselves.

Japanese See Britain Weakening on Indian Treaty

A Tokyo telegram May 11 stated that as the result of a full exchange of views between the Japanese authorities on the one hand, and the British and Indian authorities on the other, conducted side by side in Tokyo, London and Simla, it had become apparent that official quarters both in Britain and India would not be altogether averse to concluding a new commercial treaty between Japan and India in lieu of the old treaty. Those who are close to official quarters in Tokyo hint that the proposed new treaty would establish the principle of reciprocal tariff arrangements between Japan and India instead of the most-favored nation treatment as provided in the old treaty.

Egypt Revises Cotton Duties

A revised Customs tariff on cotton goods was approved by the Council of Ministers of the Egyptian Government at Cairo, May 14. Duties will in future vary according to the weight perhundred square metres.

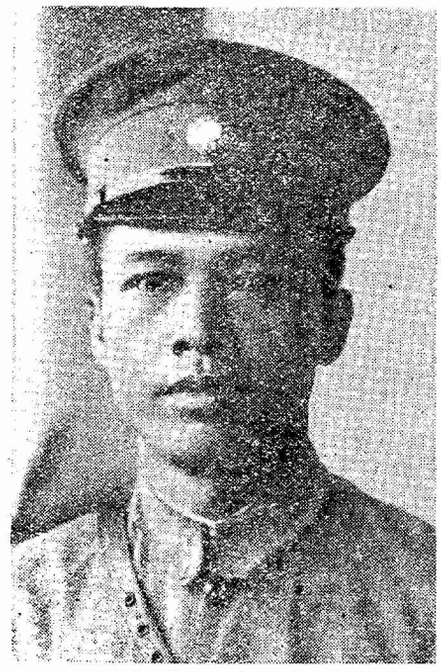
Sino-Japanese Armistice Talk in North Precipitates Threatened Civil War in South

THERE seem to be two outstanding elements in the present confused political situation:

1—Certain military commanders in the North, with the nominal approval of the Nanking Government, are trying to arrange an armistice with the Japanese.

2—Certain military and political elements in the South, although favorable to a compromise with the Japanese in 1931, are now bitterly opposed and probably will launch a civil war in the event Nanking agrees to the armistice.

General Chiang Kai-shek, Commander-in-Chief of the Nanking forces.



General Chen Chi-tang, head of the Cantonese forces.

General Tsai Ting-kai, Commander of the 19th Route Army.

Latest reports from Canton indicate that the leaders of the Southwest Political Council, including Gen. Chen Chi-tang, Gen. Li Chung-jen, Tang Shao-yi, Chao Lu, Hsao Fu-cheng and Teng Chak-yue, are not only on the point of issuing a declaration of independence but also are making active preparations for launching another northern expedition. As a matter of fact the northern expedition which is styled the "Anti-Japanese National Salvation Army" has already crossed the border between Kwangtung and Hunan provinces and according to report has clashed with the forces of Gen. Ho Chien at Chenchow resulting in casualties on both sides. The southern forces are composed of two brigades of the 19th Route Army, the Fourth Kwangtung Independent Division and the Twenty-fourth Kwangsi Division. The chief leader apparently is Gen. Teng Lung-kwang, commander of the Fourth Kwangtung Independent Division. According to reports from Hongkong and Canton early this week, the clash between the Cantonese forces and the Hunanese occurred on Sunday, May 21 following which the two detachments of the 19th Route forces which occupied the vanguard position, retired and sent for reinforcements. Gen. Ho Chien, commander of the Hunanese troops, when informed of the incident is reported to have wired an apology to Canton and at the same time ordered a cessation of hostilities. In the meantime the Cantonese leaders have announced their determination to use military means to force their way through Hunan province, their initial objective being Changsha and following that the Wu-Han cities. A representative of the 19th Route Army at Canton on May 24 denied the report of a clash with the Hunanese, stating his forces had reached Chinchow without difficulty.

Although practically nothing has as yet appeared in the Shanghai newspapers regarding the gathering war clouds in the South, the Chinese and foreign newspapers in Hongkong on May 17 reported the arrival of detachments of the 19th Route Army and the Kwangtung Independent Division in southern Hunan and of heavy shipments of munitions from Canton to the northern border of the province. A report in the *Chao-Jan-Pao* (Hongkong) on May 17 stated, "Canton is feverish with war preparations and the southern forces will not hesitate to fight anyone who dares to prevent their advance northward." Another report in the *South China Morning Post* (British paper in Hongkong) stated that trenches are being dug at Shiukwan (Shuichow) which is the most northern point on the railway running northward from Canton to the Kwangtung-Hunan border. This report stated that Canton staged a large flag-presentation ceremony when banners containing inscriptions, "Recover Our Mountains and Rivers" were presented to the commanders of the expeditionary force. The Canton military authorities also instituted a strict censorship of telegrams and news

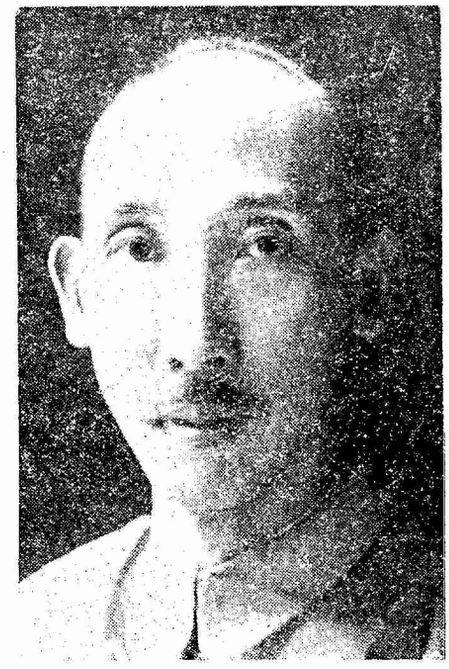
dispatches, but reports which appeared in Hongkong alleged that in the event of serious trouble, Canton was depending upon the support of Feng Yu-hsiang and certain of his former subordinates including Gen. Han Fu-chu in Shantung who has some 60,000 well trained and equipped troops. The names of Generals Sung Chih-yuan and Sun Tien-ying, also former Feng subordinates, who have been fighting the Japanese in the vicinity of the Great Wall, also were mentioned as possible allies of the Cantonese.

While his name has not as yet appeared prominently in the newspapers in connection with the Canton revolt, it is generally believed that Hu Han-ming, former head of the Legislative Yuan at Nanking is a prime mover in the new Canton development. He is however still remaining in Hongkong where he went in 1931 following his break with Gen. Chiang Kai-shek. The fact that Eugene Chen, another political enemy of Gen. Chiang Kai-shek, has also joined the Canton group and reputedly was the author of the recent charge that Nanking had made a secret compact with the Tokyo General Staff for a settlement of the Manchurian question, is regarded of significance in the same connection. According to this declaration which was cabled to the League and the Powers signatory to the Nine-Power Washington Treaty, and which is printed in full elsewhere in this issue of *The Review*, Canton charged that certain elements in the National Military Commission at Nanking have been secretly negotiating with Japanese militarists connected with the Tokyo General Staff for a settlement of the Manchurian problem. According to the Canton charges the Japanese have offered, in exchange for Nanking's nominal recognition of the independence of Manchukuo, to surrender exterritoriality and other unilateral treaty priveleges in China proper and in addition have offered to assist Nanking in suppressing the "reds" as well as other economic and cultural help in consolidating Japan's so-called "Monroe Doctrine in Asia." Other phases of the alleged agreement include China's suppression of the anti-Japanese boycott and China's consent to a demilitarization of a broad strip of territory south of the Great Wall and extending westward from the sea through Hopei, Shansi and Suiyuan provinces. The Canton declaration including the foregoing charges contained the following preamble.

"The Chinese people as a whole are irrevocably opposed to any compromise or agreement with Japan based on Chinese recognition of the Japanese-created State, Manchukuo. Manchuria, together with Jehol, is an integral and vital part of the Chinese Republic, whose territory is one and indivisible, and for this reason the tearing away of Manchuria and Jehol cannot be suffered by China save at the risk of such material and moral enfeeblement that her survival as an independent sovereign state will become a matter of incalculable difficulty."

General Ho Yin-chin, Commander of the Nanking forces in Peiping.

General Huang Fu, head of the Peiping Political Committee who arranged the "truce."



General Ho Chien, head of Hunan, who is worrying about the Cantonese advance.

As the foregoing Cantonese charges were widely circulated in America and Europe they brought a quick response from T. V. Soong, Nanking Finance Minister, who had just completed his conversations with President Roosevelt and was in New York on his way to London to serve as China's delegate to the World Economic Conference. In the course of an address delivered before the Council on Foreign Relations (May 20) Mr. Soong declared that no government in China would dare under any circumstances to acknowledge the loss of Manchuria. He charged that Japan was directly responsible for the political chaos that exists in certain parts in China and said that the Governmental situation in China is far from chaotic except where Japanese invasions and Japanese intrigue have made it so."

While the Kuomintang Central Executive Committee at Nanking as well as Wang Ching-wei, head of the Executive Yuan and Sun Fo, president of the Legislative Yuan, have emphatically denied the accuracy of Canton's charges

about a secret deal with the Tokyo General Staff on the Manchurian issue, it has as yet been impossible to find out what really is going on because of the confused situation resulting from the Japanese invasion of the Peiping-Tientsin area. Much of the suspicion which exists in Chinese circles resulted from the appointment of General Huang Fu as head of the Peiping Political Committee, and this has been due to the fact that Gen. Huang Fu's chief claim to fame in the past has been his allegedly wide acquaintanceship with Japanese military officers. Huang Fu is a native of Chekiang province and is a graduate of the Military Survey Academy of Tokyo, following which he returned to China and participated in revoutionary activities following the first revolution in 1911. When Gen. Yuan Shikai came into power Huang Fu was compelled to flee to Japan where he spent considerable time in literary activities, writing two books dealing with China's status following the world war. He was a delegate to the Washington Conference, in 1921-1922, following which he wrote another book dealing with world military and political tendencies following that event. He then served in various capacities in the old Peiping Government including acting foreign minister, acting minister of education, acting premier, and after the Nationalist revolution in 1927 he served as Nanking foreign minister and mayor of the Chinese municipality of Shanghai. He accompanied Gen. Chiang Kai-shek on the northern expedition to Peiping and was in Tsinan at the time of the so-called Tsinan incident involving a clash between the Japanese troops and the forces of Generals Chiang Kai-shek and Feng Yu-hsiang. He was taken prisoner by the Japanese army and according to reports which appeared in the Chinese newspapers was only able to escape execution at the hands of his captors by signing a document allegedly placing the blame for the incident on the Chinese troops. Shortly afterward Gen. Huang resigned his offices at Nanking and retired from political activities.

Hu Han-ming, former head of the Nanking Legislave Yuan, who been has sulking in his tent in Hongkong.

Various unconfirmed reports have been in circulation regarding Gen. Huang Fu's instructions with respect to the situation in the north, but there was undoubted signficance in the fact that rumors regarding a "truce" with the Japanese were circulated almost simultaneously with his arrival in Peiping. At any rate the Chinese troops began to retire almost simultaneously with his arrival and this naturally created the impression that negotiations between the opposing forces were in progress. A *Reuter* report from Peiping on Tuesday night, May 23, stated a temporary peace agreement actually had been signed, but nothing further was known about the actual terms aside from the obvious fact that the Chinese troops have largely withdrawn from both Peiping and Tientsin. Some of the rumors which have been in circulation regarding the alleged terms include, (1) that Chinese troops shall be withdrawn south of the Yellow River; (2) that no Chinese troops shall be stationed within 80 miles of the Great Wall; (3) that the area vacated shall be policed by gendarmes with officers appointed jointly by China, Manchukuo and the Imperial Japanese Army; (4) that the Chinese Government shall issue a mandate prohibiting further anti-Japanese boycott movements; (5) that the Chinese military authorities shall apologize to the Japanese for attacks launched in the vicinity of the Great Wall; (6) that the Japanese for the present will keep their main forces to the east of the Luan river, pending a carrying out of the Chinese promises, following which the Japanese agree to withdraw to the vicinity of the Great Wall; (7) that China agrees not to finance or encourage volunteer or other seditious activities in Manchukuo; (8) that China agrees to reestablish mail and railway communication between China and Manchukuo.

A later message from Peiping stated *Ta Wan Pao*, leading Chinese paper, had published the alleged "truce" terms (1) Chinese troops to be withdrawn south of Yenching, Changping, Shunyi, Kaoliying, Tungchow, Hsiangho, Paoti, Lintingchen and Ningho; (2) Chinese are to send representatives to Miyun to assure the superior Japanese officers of China's decision to cease hostilities and ask the Japanese to cease their advance; (3) Japanese are to appoint representatives to meet with the Chinese to elaborate armistice terms; (4) Final armistice to be signed at some point on Peiping-Hankow Railway. The Chinese paper which printed the foregoing was suppressed by the military authorities. The Tokyo War office on May 24 officially denied that an armistice had been signed.

None of the reports, aside from the Cantonese charges, have included China's recognition, nominal or otherwise, of Manchukuo, but numerous reports circulated in recent days through the official Japanese *Rengo* service, have alleged that the Imperial Japanese Army would not agree to a truce except on condition that China would agree to recognize the independence of Manchukuo under Japanese military suzerainty. Whether the Japanese have agreed not to send troops into Peiping is not known, but this apparently is not of much consequence in view of the fact that Japan took advantage of the situation created by an alleged attack on a Japanese Legation guard to send some 600 additional troops into the Legation Quarter, thus bringing the guard authorized in the Boxer Protocol of 1900 up to a strength of approximately 1,000. With this force inside the city and with

other Japanese forces within a few miles of the borders of the city wall, the actual stationing of a Japanese garrison in the native sections of the Tartar city is of little consequence.

Why the Chinese authorities finally agreed to sign a truce with the Japanese instead of simply withdrawing is not know, but probably was due to numerous reasons, the chief of which undoubtedly was the menacing situation in south China, plus the red menace in Kiangsi and plus the combined red menace and civil war situations in Kweichow and Szechuen provinces. Obviously the Central Government could not give its undivided attention to the Japanese invasion of the north when it was compelled to keep its best troops south of the Yangtsze River in order to protect the Government against the twin threats from the south. In addition to this the Government was faced with an almost impossible task in preventing dissention among the conflicting military elements in north China, consisting of forces formerly under the command of Marshals Chang Hsueh-liang and Feng Yu-hsiang, traditional enemies, in addition to other elements owing allegience to the old Chihli, Anfu and Peiyang military cliques. The Japanese naturally took advantage of this situation and for a time there was a threatened separatist movement, which, had it been successful might have thrown all north China into the puppet state of Manchukuo. Then, in addition to the other elements strong pressure was exerted by Chinese propertied interests to prevent fighting within the environs of Peiping and Tientsin that would have resulted in destruction and slaughter similar to what took place at Shanghai last spring. In the face of this situation the military authorities probably decided that a truce, temporary even thought it must be, was the best way out of the predicament. This will have one advantage at least—it will enable Nanking to settle scores with Canton by negotiation or actual warfare—and thus get that situation out of the way and at the same time provide a breathing spell for renewed opposition to the Japanese, which must come regardless of any temporary true which may have been signed by the opposing military elements. Of indirect interest in connection with the true arrangement was an interview with Dr. C. T. Wang, former Foreign Minister, which appeared in the Evening Post on May 19. Dr. Wang stated that the object in appointing Gen. Huang Fu to the chairmanship of the Peiping Political Council was primarily for bringing about a cessation of armed hostilities between China and Japan. Declared Dr. Wang, "The mutual understanding now being sought is primarily to bring an end to the devastating warfare, but it will give no provision for withdrawal of the Chinese troops and the refraining of Chinese troops from returning eastward to their old garrisons, such as formed the main features of the Shanghai peace pact last spring.

One element in the situation which apparently has received little attention among the Chinese is the obvious fact that the Japanese warlords in all probability are as equally anxious for a truce as are the Chinese militarists. Sometime ago we remember reading a suggestion that the time probably would come in the course of the Sino-Japanese hostilities when the military authorities on both sides would be glad to make peace in order to preserve their respective positions. This particularly applies to the present situation in Japan which has become most precarious in recent weeks. A close perusal of the Japanees newspapers has provided ample evidence that the Japanese war-lords are in a most difficult position and that the entire Japanese nation is seething with revolutionary sentiment which may result in a drastic political overturn at any time. A foreign newspaperman recently in Japan, referring facetiously to the political situation said that the jails in the country are bulging with alleged communists while the chief occlpation of the hordes of police, gendarmes and government spies appeared to be equally divided in preventing "dangerous thinking," and in trying to prevent a considerable portion of the population from committing suicide by jumping into the active volcanoes. The latter remark was inspired by a report that the police on one day had arrested more than 90 youths for trying to jump into the the crater of a popular volcano. In view of the fact that in addition to the critical domestic political, economic and financial crises, which are harassing the Island Empire, the Japanese Government is also facing the forthcoming world economic and disarmament conference—it therefore seems logical to believe that certain Japanese in high places are as desirous of peace as are certain highly placed Chinese.

CENTRAL CHINA SITUATION

According to reports from *The Review's* correspondent in Hankow, the threat of an advance of Cantonese and Kwangsi forces into Hunan province has created considerable apprehension due to the uncertainty which exists with respect to the attitude of Gen. Ho Chien, head of the Hunan government. Gen. Ho Chien's recent trip to Nanchang for the purpose of interviewing Gen. Chiang Kai-shek, indicated that he is siding with the Generalissimo, but as Gen. Ho does not have a great many troops at his disposal, it is rumored he might welcome the Southerners, or at least permit them to pass through his domain. No preparations apparently have been made to provide railway transport for the southern forces, even after they reach the rail-head at Chenchow. It is estimated that it would require at least a fortnight or possibly twenty days for the southern expedition to reach Changsha from the southern border, even though they had no opposition on the way.

It has been rumored that Gen. Chiang Kai-shek may return to Hankow shortly, but owing to the recent occupation of Fengcheng, about thirty miles south of Nanchang, by the red forces, he probably is finding it difficult to leave his headquarters. Recently there has been considerable criticism of Gen. Chiang in the Hankow district because of his apparent inability to put an end to the red activities or the civil warfare in Szechuen.

General Liu Chen-hua, Bandit Suppression Commissioner for Honan-Hupeh-Anhwei provinces, while interviewing Gen. Chiang at Nanchang received urgent telegrams to return and proceed north to the red-infested areas and save the people in those districts. According to reports in

the local newspapers preparations are being made for a final show-down with the red elements, but in the event of a Cantonese advance, will Gen. Chiang be able to maintain his heretofore strong position in Central China? While local Chinese businessmen and bankers appear to be seriously concerned regarding the outcome of the Sino-Japanese crisis in the north, there doesn't seem to be any serious concern regarding the possible advent of the Cantonese in these parts. Hankow, of course, is seriously concerned by the Szechuen situation where Nanking and Canton have been involved in a sort of "proxy" war. Obviously the Szechuen situation has not been of any particular assistance to Gen. Chiang. As to the situation both north and south of Hankow, while both of the railways recently have been cut by the reds, foreigners returning from these areas do not report seriously disturbed conditions. However, Gen. Ma Hung-kwei, who holds the territory between Sinyangchow and Chenchow, is not in a very favorable position since two brigades of his troops are reported to have rebelled and fled eastward because of failure to receive their pay. They are reported to have joined the reds in the Kikungshan district. The remainder of Gen. Ma's troops are reported to be remaining on the railway and handicapping transportation of both troops and merchandise. At present there are no troop movements either in or out of Hankow.

Northwest of Hankow the countryside is infected with local roving bands of robbers. Travelers coming from Laohokow and Fancheng on the bus line report that a strong band was operating not far from Huayuan, in the area west of the Peking-Hankow railway. Nevertheless there is regular bus service along this line in good weather.

Although the Han river is open to traffic and conditions are better than at any time since 1930, yet recent reports from the territory to the west of the Han river are not too reassuring. The district around Anlu is somewhat disturbed. The Chinese press states that Hsü Yüan-chüan, Director of the Western Hupeh Bandit Suppression Forces, left Hankow on the 13th for Shasi, where he will confer with Mr. Fan Chi-hsi, Chief of Police of Hankow, who has also been in Ichang on an inspection tour. Methods discussed at a conference just held in Hankow will be put into operation and a concerted move in cooperation with the Hunan authorities will be made to round up the "Reds" in this area.

The situation around Yochow, Hunan, just south of the Hupeh border on the Canton-Hankow railway, was very tense ten days ago. A strong band of "Reds" forced their way into Pingchiang, about 80 miles southeast of Yochow, and threatened to cut the railway. All the missionaries stationed in Yochow, evacuated to Hankow where they remained until the 11th of May, when they returned.

However, it is reliably reported that these "Reds" moving westward, 10,000 strong, captured Sinshih, Hunan, and on Sunday the 14th of May, cut the telegraph and telephone communications along the Canton-Hankow railway at Milo and crossed over to the west side. They have no doubt been hard pressed along the Kiangsi border and desirous of joining forces with the "Reds" in southwestern Hupeh, they made this bold dash across the railway, which has not been disturbed to any great extent. Three weeks ago a foreigner from the Tsingshih area reported that all the Reds in that part of Hunan had gone over the boundary line into Hupeh, south of Shasi.

The Japanese have eleven gunboats in port, many of which are destroyers. The situation is very calm here. No movement of troops, at present, is being undertaken by the Chinese authorities.

The governor of Honan has just advised all missionaries not to summer on Kikungshan, stating that although the large "Red" army has been dealt with, there yet remain wandering groups in the mountains to the east. Some bands of "Reds" have been as near as five miles of the Kikungshan within the last three months, and although the situation is better now, the presence of foreigners on the mountain would be tempting bait.

Kuling is going to be crowded this summer. Most of the cottages have been booked, and late comers will have a hard time to find suitable quarters. The hotels and boarding houses are also planning for a rush season, according to advance bookings.

National Aviation Commission Formally Inaugurated

The National Commission for the Promotion of Aviation, which has recently been formed by the National Government for the custody and receipt of contributions towards the Aviation Fund, was formally inaugurated in Nanking May 20. Presidents Wang Ching-wei, Chu Cheng and other Party and Government officials were present. General Chu Pei-teh, Chief of Staff of the National Government and member of the Standing Committee of the Commission, presided at the ceremony.

The scheme of organization provides that the commission shall have a standing committee of five, a secretary-general and a general committee of 32 members.

The five members of the standing committee are: T. V. Soong, finance minister and vice-president of the Executive Yuan; General Chu Pei-teh, chief of the national government; Sze Liang-tsai, publisher of the *Shun Pao;* Tsien Hsin-tse, noted Shanghai banker; and Ko Ching-an, chief of the national aviation administration. Mr. Ko will serve concurrently as secretary-general of the new commission.

The 32 members on the general committee are: Messrs. Sun Fo, Chen Ku-fu, Shih Ying, Yeh Tso-chong, Ku Meng-yu, General Hang Shou-yung, General Ho Ying-ching, General Tang Seng-tse, Chen Shih-jen, Dr. Chu Chia-hua, Dr. Chiang Mon-lin, Chou Tso-min, K. P. Chen, Chang Kia-ngau, Wang Hsiao-lai, Dr. Herman C. E. Liu, Dr. C. T. Wang, Wang Tse-yuen, General Chu Ching-lan, Tu Yueh-sen, Li Ming, K. H. Ling, Ling Yo-ching, Hu Chuen-chung, Hu Wen-hu, General Oong Chao-huan, General Chang Hui-chang, Dr. Chang Po-lin, General Huang Ping-heng, Hsiung Hsi-ling, Yu Ya-ching, Liu Pei-chuen, Tai Kwei-sen, Tsou Ling and Chen Yi.

Canton Strengthens Air Force

By order of General Chen Chi-tang fifteen new American pursuit 'planes have recently been purchased through a certain American firm in Hongkong. One has already arrived in Canton and the other fourteen are expected to arrive shortly. The speed of these 'planes is 270 miles an hour.

Airplanes Arrive at Nanking from Italy?

A Japanese report from Tientsin May 19, alleged that out of 30 airplanes ordered from Italy, 17 had already arrived and were secretly discharged at the Nanking Bund on May 16. The same report said the war department at Nanking had ordered 20 Curtis bombing planes from the United States and when they arrive in China a new and strong aviation corps will be formed.

The Ministry of Communications has addressed a communication to the Ninghsia Provincial Government requesting that a landing field be built for the Shanghai-Sinkiang Airway. The field is to be located at Hsining, provincial capital of Ninghsia.

Chinese in Siam Contribute to National Defense Fund

According to a telegram fron Bangkok, the capital of Siam, the Chinese living in Siam have resolved to make regular monthly contributions as funds to strengthen the national defences of China. A Canton newspaper expressed the opinion that at least $500,000 can be raised monthly among the Chinese community in Siam on account of the large number in that country.

Preparations are now being made by the Shensi provincial authorities concerned for the inauguration of a direct air service between Sianfu and Canton so as to shorten the journey from south to North-west China. Hankow will be the center of the cross-country air-route.

General Whang Ping-hung, formerly director of the Chinese aviation bureau, who is now making a tour of Europe and the United States, proceeded from London to Paris May 16.

T. V. Soong and President Roosevelt Issue Joint Statement on Peace in the Far East

T. V. SOONG, Minister of Finance of the National Government, departed from Washington for New York May 18, and is due to sail from there March 27 on the s.s. *Aquistania* for London, where he will act as China's Chief delegate to the World Economic Conference, which is scheduled to begin its sessions June 12 Mr. Soong and his party on their arrival in New York received a warm welcome from prominent members of the Chinese community. They were also met by city, state and national representatives. Mr. Soong was given the customary police escort for distinguished visiting statesman when he proceeded from the station to his hotel.

While in Washington, Mr. Soong engaged in frequent economic discussions with the Washington authorities, in particular with President Roosevelt and Secretary of State Cordell Hull.

A joint statement was issued by President Roosevelt and Mr. Soong May 19 in which reference was made to disarmament, peace in the Far East and silver. The full text of the statement follows:

Joint Statement by President Roosevelt and T. V. Soong

At the conclusion of our conversation, we note with profound gratification that we are in agreement in regard to the practical measures which must be taken for a solution of the major problems which today confront the world. We agree that economic stability cannot be achieved without political tranquility and that economic disarmament can be attained only in a world in which military disarmament is possible. It is our ardent hope that peace may be assured and that to this end practical measures of disarmament may soon be adopted. In this connection, our thoughts naturally have turned to the serious developments in the Far East which have disturbed the peace of the world during the past two years. There the military forces of two great nations have been engaged in destructive hostilities. We trust that these hostilities may soon cease in order that the present effort of all the nations of the world to re-establish political and economic peace may succeed.

"We are in entire agreement that present unreasonable obstacles to international trade must be removed and that the present financial and monetary chaos must be replaced by order. In this connection, we consider it essential that the price of silver, the great medium of exchange of the East, should be enhanced and stabilized. We are in the closest agreement as to many other measures which must be adopted for the rehabilitation of the economic life of China and of the world and we are both resolved to approach the problems of the World Economic Conference as well as the problems of the Disarmament Conference with the determination necessary to bring their labors to success.

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President Roosevelt's Appeal for Disarmament

The following is the complete text of President Roosevelt's stirring appeal to the sovereigns and chief executives of 54 nations, among which were included China and Soviet Russia. The following is the text of the President's message as received at Nanking on the night of May 16:

His Excellency Lin Sen, President of the National Government of the Republic of China, Nanking, China.

A profound hope of the people of my country impels me, as the head of their Government, to address you and, through you, the people of the Chinese nation. This hope is that peace may be assured through practical measures of disarmament and that all of us may carry to victory our common struggle against economic chaos.

To these ends the nations have called two great world conferences. The happiness, the prosperity, and the very lives of the men, women and children who inhabit the whole world are bound up in the decisions which their Governments will make in the near future. The improvement of social conditions, the preservation of individual human rights, and the furtherance of social justice are dependent upon their decisions.

The World Economic Conference will meet soon and must come to its conclusions quickly. The world cannot await deliberations long drawn out. The conference must establish order in place of the present chaos by a stabilization of currencies, by freeing the flow of world trade, and by international action to raise price levels. It must in short, supplement individual domestic programs for economic recovery, by wise and considered international action.

The Disarmament Conference has labored for more than a year and, as yet, has been unable to reach satisfactory conditions. Confused purposes still clash dangerously. Our duty lies in the direction of bringing practical results through concerted action based upon the greatest good to the greatest number of people. Before the imperative call of this great duty, petty obstacles must be swept away and petty aims forgotten. A selfish victory is always destined to be an ultimate defeat. The furtherance of durable peace for our generation in every part of the world is the only goal worthy of our best efforts.

If we ask what are the reasons for armaments, which, in spite of the lessons and tragedies of the World War, are today a greater burden on the peoples of the earth than ever before, it becomes clear that they are two-fold, first, the desire, disclosed or hidden, on the part of governments to enlarge their territories at the expense of a sister nation. I believe that only a small minority of governments of any peoples harbor such a purpose. Second, the fear of nations that they will be invaded. I believe that the overwhelming majority of people feel obliged to retain excessive armaments because they fear some act of aggression against them and not because they themselves seek to be aggressors.

There is justification for this. Modern weapons of offense are vastly stronger than modern weapons of defence. Frontier forts, trenches, wire entanglements, coast defense—in a word, fixed fortifications—are no longer impregnable to the attack of war planes, heavy mobile artillery, land battleships called tanks, and poison gas.

If all nations will agree wholly to eliminate from possession and use the weapons which make possible a successful attack, defenses automatically will become impregnable, and the frontiers and independence of every nation will become secure.

The ultimate objective of the Disarmament Conference must be the complete elimination of all offensive weapons. The immediate objective is a substantial reduction of some of these weapons and the elimination of many others.

This Government believes that the program for immediate reduction of aggressive weapons, now under discussion at Geneva, is but a first step toward our ultimate goal. We do not believe that the proposed immediate steps go far enough. Nevertheless, this Government welcomed the measures now proposed and will exert its influence toward the attainment of further successive stops of disarmament.

Stated in the clearest way, there are three steps to be agreed upon in the present discussion:

First, to take, at once, the first definite step toward this objective, as broadly outlined in the MacDonald plan.

Second, to agree upon time and procedure for taking the full steps.

Third, to agree that while first and the following steps are being taken, no nation shall increase its existing armaments over and above the limitations of treaty obligations.

But the peace of the world must be assured during the whole period of disarmament and I, therefore, propose a fourth step concurrent with and wholly dependent on the faithful fulfillment of these proposals and subject to existing treaty rights:

That all the nations of the world should enter into a solemn and definite pact of non-aggression:

That they should solemnly reaffirm the obligations they have assumed to limit and reduce their armaments, and, provided these obligations are faithfully executed by all signatory powers, individually agree that they will send no armed force of whatever nature across their frontiers.

Common sense points out that if any strong nation refuses to join with genuine sincerity in these concerted efforts for political and economic peace, the one at Geneva and the other at London, progress can be obstructed and ultimately blocked. In such event the civilized world, seeking both forms of peace, will know where the responsibility for failure lies. I urge that no nations assume such a responsibility, and that all the nations joined in these great conferences translate their professed policies into action. This is the way to political and economic peace.

I trust that your Government will join in the fulfillment of these hopes.

FRANKLIN D. ROOSEVELT

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Lin Sen, Chairman of the National Government, in replying to President Roosevelt's appeal, although not mentioning Japan by name, made a strong reference to the activities of the Japanese troops. The full text of Lin Sen's reply as telegraphed to Washington on the night of May 19 is as follows:

China's Reply to Roosevelt's Message

His Excellency Franklin D. Roosevelt, President of the United States of America, Washington.

It was with a sense of satisfaction and hopefulness that I received the exceedingly important communication you addressed to me and, through me, the people of the Chinese nation.

The Chinese Government and people, like the American Government and people, are convinced that world peace can be assured only through the united efforts of all nations to remove any possibility of aggression not only by reduction of armaments but also by a common pledge not to invade each other's territory. They are equally certain that world prosperity can be regained only by the establishment, out of the present chaos, of an economic order based upon the greatest good to the greatest number of people. With a sincere desire for durable peace in every part of the world, the Chinese Government has cooperated, and will continue to cooperate, with other Governments in the deliberations of the Disarmament Conference. It will be with like sincerity and open-mindedness on her part that China will participate in the labors of the World Economic Conference about to be held in London.

China has been the victim of aggression: the victim of excessive armaments of modern offensive weapons of war. Large numbers of armed forces have, without right, crossed China's frontiers and remain on her territory. Cities are being destroyed; men, women and children are being slaughtered. This foreign invasion has shaken the political and economic fabric of the Chinese nation. What is a mere fear of aggression to other countries is a terrible living reality to China, No Government is therefore more anxious than the Chinese Government to see all nations enter into a solemn and definite pact of non-aggression, reduce armaments to strictly defensive purposes, and subscribe to and fulfil the engagement to send no armed force of whatever nature across their frontiers.

The Chinese Government is prepared to associate itself with other Governments in undertaking the various steps indicated in your message, which it considers as constituting a complete plan for the maintenance of the national security of all countries, and confidently hopes that the obligations envisaged in these proposals—especially the fourth proposal—will be executed to their fullest extent so that world peace, political as well as economic, will prevail.

LIN SEN.

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T. V. Soong Asks U. S. to Be Tolerant Toward Confusion in China

T. V. Soong, Chinese Minister of Finance, in Washington May 17 appealed to the United States to be tolerant of the confusion in China and to bear in mind that the transition from monarchy to democracy is a slow process. "The very things that make the democratic form of government great by giving everyone a voice in its course make that course sounder but slower than when guided by an emperor," he said. This meant, he added that China would take longer to arrive at her goal but they would prefer to take their time to develop into a truly great organization within rather than just smear on a veneer of modern, mechanical civilization and the power of modern armaments without gaining a richer development of the spirit and a realization of the ideals of justice and fair play. Mr. Soong described the changes which were coming about in China as growing pains but the important thing was that they were growing by leaps and bounds.

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T. V. Soong Blames Chaotic Condition on Japanese

T. V. Soong, addressing the Council of Foreign Relations New York, May 22 declared that contrary to Japanese assertions the situation in China and the position of the government were "far from chaotic, except where Japanese invasion or intrigue had made it so." He pointed out that the national government was in a position of financial stability. He called attention to the progress of public works, education and commerce and to the establishment of a national bank in China.

Mr. Soong expressed the opinion that when prosperity returns to the world and China is relieved of the burden of Japanese invasion she will be able to meet "all her just financial obligations." He declared that the Chinese government must husband its resources for a long-drawn struggle. Under no circumstances could it surrender Manchuria or Jehol. The Chinese government, he said, had proved its virility by overcoming almost overwhelming odds.

Mr. Soong incidentally said that no government in China would dare under any circumstances to acknowledge the loss of Manchuria.

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Chinese Newspapers Applaud Roosevelt

All the newspapers in Nanking gave prominence to the reports of President Roosevelt's appeal for the abolition of offensive weapons and the conclusion of a world non-aggression pact. Particular importance is attached in Nanking to the proposals for the limitation of armaments and the undertaking to be made by each State not to send its armed troops across its frontiers. It is the general belief however that if Mr. Roosevelt concentrates his attention only upon the European situation and neglects that in the Far East, his efforts are not likely to be crowned with success.

While generally applauding President Roosevelt's message as containing the "right prescription for the ills of the present-day world," the Chinese Press in Shanghai sees however in the Japanese military aggression against China an almost insurmountable obstacle to the realization of President Roosevelt's proposals, according to a survey made by the *Kuo Min* News Agency.

Commending the message as a document of unwonted sincerity and frankness, characterized at once by irrefutable logic and a high moral tone, the *China Times* declares that China would have welcomed the proposal with all her heart, were she living now in a state of peace and security. However, being confronted as she is now by a grave and virulent menace from without, China is too much pre-occupied with the struggle for self-preservation to engage in the "improvement of social conditions, the preservation of individual human rights and the furtherance of social justice." This promment Chinese journal declares that China's endorsement will add little weight to President Roosevelt's words, just as her loyalty and faithfulness to the Nine-Power Treaty, the Kellogg-Briand Pact and the League Covenant have in no way contributed towards the observance or enforcement of these Treaties. Continuing, the journal says that it would be idle to hope that President Roosevelt's message would bring about any solution of the Far Eastern crisis, for it is only those countries which retain excessive armaments for defensive purposes that will be really ready to accept his proposals with sincerity. As for those which harbor aggressive ambitions, they can be brought to book only by forcible and effective sanctions. As no sanctions are envisaged in the message, the proposals are unlikely to have any practical results. For it is well to remember that so long as there is one nation in the world which harbors the desire to "enlarge its territories at the

expense of other nations," so long will all the other nations be compelled to retain "excessive armaments" to defend themselves against possible attacks.

The *Shun Pao* declares that Mr. Roosevelt's message provides the only panacea for the ills of the world and may perhaps also serve to awaken the nations which worship force and harbor aggressive desires. However, the journal says that Japan will perhaps continue to put forth the old contention that the proposals made by Mr. Roosevelt can have no application in the Far East and that the special conditions prevailing in the Far East justify the adoption of extraordinary measures. "It is therefore safe to predict that Mr. Roosevelt's efforts to secure peace through reduction of armaments will be frustrated and utterly destroyed by the Japanese militarists. We understand our Government at Nanking has expressed its unconditional acceptance of President Roosevelt's statement. But we are ashamed to say that China's acceptance, conditional or unconditional, does not mean anything because China already has her hands full with her own affairs. China pledged her support to the Anti-War Pact, the Covenant of the League of Nations and the Nine-Power Treaty, but what has China got from them?" the *Shun Pao* comments.

The Central China Daily News, while expressing its agreement with the proposals in principle, suggests that in view of the prevailing circumstances, China must make reservations to certain of the proposals. For example, she can not accept completely the MacDonald Disarmament plan, which, if adopted, would deprive China of an effective defensive armament to protect herself against an aggressor. Being now the victim of an intensive foreign invasion, she believes she has the right to ask for a military force which is strong enough for her national defence.

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European Reaction to Roosevelt's Speech

British comment on President Roosevelt's appeal unanimously commended its spirit, but varyingly interpreted its value as a decisive factor in the European issue.

King George replying to the disarmament appeal of President Roosevelt, said his message had been communicated to "all my governments." The text of President Roosevelt's appeal was cabled from Buckingham Palace to Australia, Canada, New Zealand, the Union of South Africa and the Irish Free State.

Heartfelt thanks for his message were cabled to President Roosevelt by President von Hindenburg. German political quarters, commenting on President Roosevelt's declaration, hope that he will not lose sight of the fact that his action to settle European differences must be based on justice and equality for all concerned.

Japan's Reservations to Roosevelt Proposals

Telegrams from Tokyo indicated that while Japan is likely to approve of President Roosevelt's proposals in principle, she would make important reservations "necessitated by the abnormal conditions prevailing in neighboring states." Japan also lays stress on the necessity of forbidding provocative weapons like boycotts before she is able to pledge herself to agree to the proposals unreservedly. So far as crossing frontiers is concerned, Japan feels it would be better to agree if the world were prepared to recognize the Great Wall as the boundary between China and Manchoukuo.

Soviets Willing to Cooperate

A plea for universal disarmament and economic peace, both of which are claimed to be the policy of the Soviet, was made in the Soviet reply to President Roosevelt's appeal. The Soviet statement declared Russia's willingness to cooperate with the governments interested in the realization of such a policy, whether at the Geneva Disarmament Conference or the London World Economic Conference.

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Business Begins to Revive in U. S. A.

A rise in wholesale prices for the week ended May 20 was reported by the U.S. Labor Department together with a sharp upward movement in building construction in many states. The reports indicated reviving business and a slight decrease in the number of unemployed.

Senator Pittman Makes Statement on Silver

Senator Pittman at Washington May 19 announced a program for the rehabilitation of silver on which he said that all the nations with which the United States recently discussed the subject are in agreement. The countries include Canada, Mexico, Britain Argentine and China. The program, it was unofficially stated, envisages a level of sixty cent per ounce.

America to Control Oil Industry

An Oil Conservation Bill which gives to the Secretary of the Interior wide powers to regulate the oil industry, was introduced in the House of Representatives May 19. The Bill also forbids any importation of petroleum or its products without a certificate from the Secretary of the Interior.

President Roosevelt Signs Muscle Shoals Bill

President Roosevelt signed the Muscle Shoals (Tennessee Valley) Bill May 18. The Bill provides for government co-operation in the Muscle Shoals and hydro-electric nitrate plant as part of a big scheme for the development of the Tennessee Valley. An earlier bill with much the same objects was vetoed by President Hoover.

The Muscle Shoals project was started during the World War. The plant is based on the Wilson Dam on the Tennessee river, the world's largest monolithic structure. The enterprise was not completed in time to be used during the war and had been a matter of controversy ever since. Henry Ford at one time made an offer for the site, which he later withdrew in disgust as the result of the incidental political intrigue. Huge coal, gas and oil fields lie in the vicinity.

Was "Lawrence of Arabia" Involved In Sinkiang-Mohammedan Revolt?

According to a report which reached *The Review* from Chinese sources, there is a possibility that T. E. Lawrence of Arabian intrigue fame, was involved in the recent revolt of Mohammedans in Sinkiang which has resulted in the practical loss of that province to Chinese control. Although Lawrence's activities in Oriental countries usually are shrouded in secrecy, a report was published in the London papers about three months ago that he had asked to be discharged from the Royal Air Force where he has been in service for several years under the name of "Aircraftsman Shaw." No reason was given for Lawrence's reported request to be discharged from the service, but this possibly was responsible for the belief in Chinese circles that he had gone to India and thence to Sinkiang. The report stated Lawrence had been stationed at Montbatten, Plymouth, England.

Thomas Edward Lawrence, Britain's super-spy among Orientals, who allegedly had a hand in the Mohammedan revolt in Sinkiang. He also is known as "Lawrence of Arabia," or in recent years as "Aircraftsman Shaw."

Lawrence was born in Wales in 1888 and was a research fellow at Oxford when the world war broke out. Since he was familiar with Near Eastern politics and languages, he joined the Intelligence service and was actively involved in intrigue in Palestine, Mesopotamia and Hejaz and had much to do in splitting that territory away from the old Turkish Empire. His book, "Revolt in the Desert," published in 1927 has been widely read.

Anglo-Japanese Relations

Explaining their attitude towards the abrogation of the Indo-Japanese commercial convention and deploring the possibility that the growing trade competition may seriously impair Anglo-Japanese relations, a number of leading Japanese industrialists and bankers addressed a letter to the *London Daily Mail* May 12, expressing confidence that a satisfactory solution can be found to the present difficulties if effective ways and means of avoiding dangerous competition are studied.

Japanese Halt Advance as Result of Temporary Truce

THE situation at Peiping in the early part of the week was that there was an air of extreme tension, punctuated with surmises as to whether negotiations either for an armistice or for direct negotiations with the Japanese were or were not in progress. The newly formed Peiping Political Affairs Readjustment Committee was scheduled to be inaugurated May 24 in the large hall of the former Waichiaopu. In the meantime it was rumored that General Hwang Fu, the Chairman, had proceeded to Miyun secretly to negotiate with the Japanese for an armistice, and despite frequent denials it later proved that negotiations were in progress, and a definite announcement was made May 23 that a temporary peace agreement had been reached between the Chinese and Japanese authorities and that the Japanese had accordingly halted their advance. The negotiations were opened the previous day and continued throughout the night and most of Tuesday, the chief Chinese delegate being General Huang Fu. The arrangement at that stage being only verbal, it was amplified by an *aide memoire*. The truce as it stood May 23 provided for the Japanese to come as far as Yenchow, Changping, Shunyi, Kaoliying, Tungchow, Hsiangho, Paoti, Lintingchen and Ningho. All Chinese troops are to withdraw within this line, after which the Chinese and Japanese delegates will negotiate further details concerning an area inside the Wall which, if successful, will mean that the Japanese will probably withdraw to the Great Wall.

It seemed likely that there would be no more fighting unless the subsequent negotiations should break down. As a result of the truce, the Japanese authorities, who had arranged to convey civilians into the Legation Quarter from their homes in the Chinese city, instead sent out small Japanese patrols to safeguard Japanese citizens in their homes. Six hundred Japanese troops from the Tientsin garrison arrived in Peiping by rail May 23 and are now quartered in the Legation Guard barracks. The total Japanese civilian population at Peiping is 1,700. Thus there is one Japanese soldier for every two civilians. The Japanese telegrams state that the British and French Ministers proffered their good offices in the negotiations, but the Japanese rebuffed them. Eleven Japanese bombing planes flew over Peiping during the forenoon of May 20, but they dropped no bombs, and although they flew low the Chinese did not use their anti-air craft guns on them. The apparent object of the flight was to intimidate the Chinese population. The tension at Peiping was increased on the morning of May 20, when a Chinese youth drove up in a car to the entrance of the Japanese barracks and produced a short sword. He struck the Japanese sentry on the head, causing a severe wound from which the sentry may die. The youth failed to escape as the driver of the car got scared and, starting his engine, made off before the youth could get in. He was taken into custody by the Japanese. He is stated to be a youth in his twenties, who had recently arrived in Peiping from Shansi, and had no connection with any military organ in Peiping. The Chinese authorities, although expressing regret for the incident, assumed the attitude that they could not be held responsible, as the incident occurred in the Legation Quarter. On the other hand Mr. Nakayama, Secretary of the Japanese Legation, said, "If such a thing can happen in open daylight in the heart of the Legation Quarter, we can not help feeling extreme anxiety regarding the safety of Japanese residents living outside the Legation Quarters." The Foreign Consuls-General in Tientsin met May 21 at the British Consulate-General to consider the present situation in the North.

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The Government troops under General Hsu Ting-yao May 19 received orders from the Government to withdraw from the Kupeikow front to the north of Peiping. Other Chinese also withdrew in the direction of Peiping and Tientsin.

A War Office spokesman in Tokyo May 22 declared that the Japanese had no intention of occupying either Peiping or Tientsin but it was possible that a small detachment might enter Peiping for the purpose of maintaining communication with the Japanese garrison.

Japanese Give Lurid Account of Peiping Military Conference

The Japanese account of the emergency meeting of the Peiping Branch Council of Military Affairs, called by General Ho Ying-chin, May 22 stated that the meeting conferred on the measure how to carry out the withdrawal of 200,000 Chinese troops from the Peiping-Tientsin district. As to the withdrawal of the 130,000 troops stationed in and around Peiping, the meeting had decided to evacuate them to the south of Peiping, as the Japanese main force entered Tungchow. The Japanese account further stated General Hsu Ting-yao, Commander of the 17th Army, who was insisting to put up his last fight against the Japanese with the four divisions under him, had been prevailed upon to drop off his idea, but to be enabled to keep his face he was assigned as the rear-guard of the general retreat.

The Japanese Threats Previous to Truce

According to reports current in Peiping at the beginning of the week, the Japanese commander intimated to the consular body that the Chinese were insincere and inconsistent in securing a compromise, and that Japan would continue to advance upon reaching Changping Tungchow and Tangku and would then send an ultimatum to force evacuation of Peiping. In case of non-compliance the Japanese said a situation would arise that will call for drastic dealing. Japanese troops on May 22 were advancing in four directions. On the night of May 21 the Japanese 500 strong with 11 armored cars, three tanks and eighteen guns attempted to cross Peiyunho, several miles above Tungchow, but met strong resistance.

Marshal Tuan Chi-jui telegraphed from Shanghai to his followers in north China to watch against traitors.

An official Chinese message from Lutai May 17 stated that a Chinese armored train was operating at Hsukuochwang, six miles west of Tangshan. General Wang Yi-cheh's troops, which withdrew to Yutien from Fengyun, near Tangshan, May 16 were reported to be retreating to Paoti, as the Japanese troops in that sector continued to advance.

A young Chinese name Liu Kun-shen, who attempted to assassinate General Huang Fu as his special train was steaming into the Central Station at Tientsin May 18 was executed the same day by order of General Yu Hsueh-chung.

Over 80,000 Chinese Troops in Peiping Area, Japanese Say

The Matsuda detachment, which had arrived at Kaoshanchi, a point directly northeast of Pingku, on May 19, commenced a general attack next morning, with the assistance of the Mukai detachment, on a Chinese force of some 10,000 troops, belonging to General Shang Chen, at Pingku.

According to a recent Japanese message from Peiping, the number of Chinese troops who fell back from all the fronts in and around Peiping reached over 80,000. The old capital is overcrowded by these troops, while the remainder are being stationed on the outskirts of Peiping

at various places, namely, Tungchow, Sunhochen, Peiyuan and Chinhochen.

Nearly all the Chinese houses, even those of the poorer classes, had been completely commandeered for the purpose of quartering these overflowing troops.

General Ho Ying-ching, ordered the evacuation from the city of all Chinese troops which had been billeted on the Chinese populace in the East City. It was understood that this order was issued following representations by the leading Chinese residents.

Chinese Withdraw on All Fronts

The withdrawal of the Chinese troop on various fronts continued over the week end. The tension at Peiping was increased May 22 when it was rumored that the pourparlers between General Hwang Fu and General Niishi at Miyun had proved fruitless, due to the Japanese insistance upon the recognition of Manchouko by China, whereas General Huang Fu only had authority to conclude a military agreement of local character. All commanders of foreign troops guarding the Legation Quarter were on the alert, holding 1,450 of their men ready for any emergency.

The Chinese lines on May 22 were situated South of Niulanshan, 25 kilometres north-east of Peiping and east of Tungchow. The Chinese troops were however, retreating, having abandoned all hope of establishing a line of resistance before Peiping.

The Japanese continued their advance westwards from Chihsien and Yutien and southwards from Miyun, according to Chinese reports on May 22.

The Manchukuo army under General Ting Chiang, occupied the town of Lutai, along Tientsin-Liaoning Railway Line, on the morning of May 22.

The main Japanese forces on May 23 remained on the Miyun-Pingku-Yutien-Kaiping line, awaiting the next Chinese moves.

A spokesman of the Japanese Legation in Shanghai May 19 stated that when the Japanese troops withdrew to the Great Wall last time as some sort of an agreement had been reached between the Chinese and Japanese military authorities, but the arrangement was frustrated by the advance of the Chinese troops west of the Luan River and the killing of 280 Japanese soldiers by the Chinese forces.

General Huang Fu, in an interview to Chinese pressmen in Peiping May 18 declared that "China to-day could be likened to a lane catching fire at both ends. To save the conflgration from spreading to the entire structure some buildings have to be torn down to cut off the fire." He asserted, however, that he would never sign Manchuria over to Japan.

The Government leaders held an urgent meeting at Nanking, May 23, forenoon, those present including Wang Ching-wei, the President of the Executive Yuan, and Dr. Lo Wen-kan, the Foreign Minister. The discussions lasted from 10 a.m. to 12.30 p.m., when the situation in North China was discussed.

Bomb Throwing and State of Siege at Tientsin

While Peiping was comparatively quiet during the past week, despite the influx of many thousands of refugees, the residents of Tientsin experienced many nights of terror. Tientsin, even more than Peiping, was besieged with refugees. Soon after a Peiping-bound passenger train from Tangku arrived at East Station in Tientsin, May 19, an explosion occurred which was audible all over Tientsin, caused by an incendiary bomb secreted in a box lying beside the booking and other offices. A fire rapidly followed and four cars were gutted. Windows on the platform and in neighboring shops were smashed by the force of the explosion. One person was killed and four were injured; most passengers had already left by the time the explosion occurred. A series of similar bombing incidents occurred in quick succession during the night in various parts of native city, thus creating a virtual reign of terror, the panic stricken people streaming in huge crowds into the foreign concession.

Shortly before midnight a series of detonations and occasional rifle shots were heard from the section of the Japanese concession at Tientsin which adjoins the native city. The disturbances are alleged to be the work of nondescript rowdies and it was rumored that they are in the hire of Shih Yu-shan, a former Kuominchun general, acting under alleged Japanese inspiration. The Japanese version was that Li Chia-san, who proclaimed "independence" in the district east of Luanchow and who maintained the headquarters of the so called "North-China Au tonomous Allied Army" at Tangshan, was behind the attempted coup. The Chinese authorities, under orders from General Yu Hsueh-chung, mustered all their available forces and took up emergency positions in and around the town. In the mean while, the Japanese garrison troops closed the traffic across the boundaries of the Japanese concession and took up emergency positions. A virtual state of siege was introduced both in the foreign concessions and the native city.

Japanese Planes Fly Over Peiping and Tientsin

For the third time within a week, a Japanese military plane made its appearance over Peiping at 9.20 a.m. May 19. Experts who watched the Japanese airplane through powerful glasses declared that four large bombs were clearly visible in the bomb-rack. Three people were injured by falling missiles as a result of the Chinese anti-aircraft gun-firing. After making a circular flight over the city the plane reconnoitred Chinese barracks on the outskirts of the city, ignoring fire from anti-aircraft guns. Conjectures as to whether the plane might have been that of Major James H. Doolittle, who had taken off from Tsingtao at 9 o'clock that morning were dispelled by the Major when he had landed at Nanyuan at noon stating that he not been fired on anywhere along the route.

A Japanese plane flew over the northern part of the native city of Tientsin and dropped propaganda leaflets on the same date.

According to a Japanese report General Yu Hsueh-chung, Chairman of the Hopei Provincial Government, May 21 telegraphically instructed the Peiping Branch Military Council, and the Political Readjustment Committee to save Tientsin by asking co-operation of representatives of foreign nations in the city from imminent danger and to inform them that the Chinese authorities would not in any way be held responsible for their life and property, in case fighting breaks out in Tientsin.

General Chiang Kai-shek Proceeding to Nanking?

Rumors were in circulation at Nanking May 22 that General Kai-shek would return to Nanking within the next few days on an important mission.

A Japanese telegram Tientsin May 20 contained reports from Peiping and Tientsin that General Chiang Kai-shek, with support of national enthusiasts, is making preparation for the launching of a patriotic movement in order to save China from the present chaotic situation. The report said that the movement aims at the downfall of the present Government of China, which while talking peace, does not cease its hostile attitude toward the Japanese pushing China to the verge of self-destruction.

Three Japanese scouting planes flew over Tientsin on the morning of May 20. No explosions were heard in con nection with the visit and apparently no leaflets were dropped.

Hero of Woosung Forts Wounded at Tangshan

General Oong Chao-huan, well-known defender of the Woosung forts during the Sino-Japanese hostility in and around Shanghai last year, was wounded seriously during the heavy engagement with the Japanese at Fengjun days ago, last week. He is now receiving medical treatment and is in a critical condition.

Denials of Truce or Compromise

In an interview while *en route* to Peiping, General Huang Fu, categorically denied rumors that there would be a compromise with Japan. General Huang said he would exert himself in accordance with the declared policy of the Government, that is diplomacy simultaneously with resistance.

In an interview May 18 General Wu Te-chen, Mayor of the Greater Shanghai Municipality and who is also a member of the C.E.C., declared emphatically that there would be no change in the Government's policy vis-a-vis Japanese aggression, whatever might be the developments in the northern situation.

The Central China Daily News said:—"Belief is gaining strength after General Huang Fu's arrival in Peiping that a temporary truce will shortly be concluded between the Japanese and Chinese authorities for the suspension of hostilities. We cannot blame the authorities for taking such a step, because they are compelled by circumstances to do so."

Manchester "Guardian" Says Blame Rests With League

Declaring that it is impossible to blame the Chinese Government if it shrinks from the enormous cost in lives and money involved in continued resistance, the Manchester *Guardian* May 22 discussed the possibility that the Chinese Government is about to yield to "Japanese aggression." The paper says that it will be no cause for wonder if the reports to this effect are true, but it adds that the fault, if China in despair negotiates, will not be

China's but the League's, which consoled China with words but left her to find a remedy herself.

American School Children Leave Tungchow

More than sixty American children from the school at Tungchow (near Peiping) had dispersed to their homes in different parts of China by May 18. Only about a dozen seniors remained so as take their graduation examinations, after which they will also go to their homes. This step was taken in accordance with a recent warning from the American Legation that they had better leave owing to the near approach of hostilities.

Twenty-five American missionaries in Tungchow are continuing their duties.

Cantonese Protest Against Negotiations with Japanese

The South-west Political Council after a special session in Canton May 19 published the text of a statement—which it has communicated to the League of Nations—which had been sent to the representatives in China of the signatories of the Nine-Power Treaty and to the Soviet Ambassador to China, M. Bogolomov.

The statement was signed by Tong Shao-yi, Shao Fu-cheng, Teng Chak-yue, General Chen Chi-tang, General Li Chung-Jen and Chou Lu, who constitute the members of the Standing Committee of the Council and among other things said that the Chinese people as a whole are irrevocably opposed to any compromise or agreement with Japan based on Chinese recognition of the Japanese-created State, Manchukuo, and alleging that "negotiations are in train between agents of the Japanese General Staff, which is the real Government of Japan, and emissaries of the Nanking Military Commission."

The allegations regarding the nature of the negotiations were somewhat on similar lines to those published by the *Chao Jan Pao* (Hongkong) quoting a recent arrival from the North, as saying that a secret understanding had actually been reached between General Chiang Kai-shek and the Japanese, among the conditions agreed upon being the following: China agrees not to interfere with the existence of Manchukuo; there shall be no concentration of Chinese troops in North China; the new leader of the administration in North China shall be a man friendly with the Japanese; the Japanese Government shall assist the Chinese Government in the suppression of the Communists and to unify the country in an effective way; and Japan shall agree to abolish all unequal treaties existing between China and Japan.

Nanking Strongly Refutes Canton's Protest

The Central Executive Committee of the Kuomintang sent an immediate reply to the South-west leaders in Canton denying the alleged terms and asking them to cease attacking the Central Government on the basis of rumors.

The C. E. C., among other things, said:—"The South-west has been blaming the Government for not resisting the Japanese. But they have been working to further weaken the Government by organizing an independence movement in the south. They have ignored the Government's order to send troops to Kiangsi to suppress the Communists. But instead they have organized a so-called anti-Japanese expeditionary army, the real aim of which is not to fight against the Japanese but against the Government.

"You have unreasonably given a credulous fear to rumors and have circulated false Sino-Japanese terms to confuse public opinion both in China and abroad." The telegram then urged the South-west leaders to bear in mind the present national difficulties and effectively carry out the Central Government's plan by sending troops to suppress the Communists, so as to lessen its difficult position and enable Nanking to deal with the Japanese invasion and the Communist menace simultaneously.

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Canton's Drive Northwards

"We have burnt our bridges behind and are going to fight the enemy. Defeat or victory will mean nothing to us because our only object is to fight," declared General Teng Lung-kwang, commander of the 4th Independent Division, in an interview at Canton May 18. "Our army will repel the Japanese. In doing this our aim is not only to save China, but to maintain world peace."

Flags were presented by representatives of public bodies to the 4th Indepedent Division on the campus of Sun Yat-sen (Chungshan) University, on the occasion of its impending departure for the north, May 18. The flags, inscribed with patriotic slogans, were accepted by General Teng who, in a brief speech, said that he and his men had pledged themselves to drive out the enemy and would not rest until their work was done. Great enthusiasm prevailed at the meeting. Shortly after the mass meeting, one regiment of the 4th Independent Division entrained for northern Kwangtung, to be followed by others later.

General Tsai Ting-kai, who is Commander-in-Chief of the Northern Expeditionary Army, addressed a telegram May 17 to General Chang Yen, a brigadier commander of the 19th Route Army, ordering him to march his troops from Lochang to Hunan immediately.

General Chen Chi-tang, chairman of the Kwangtung provincial government, paid a visit to the provincial Kuomintang and made an address to the staff, May 19. He urged the Kuomintang workers to strive to the utmost in all that concerns resistance against the Japanese and national salvation.

Two brigades of the 19th Route Army, which form part of the Southwestern Anti-Japanese Army arrived at Ichang, southern Hunan, May 19 according to reports received at Changshan on that date. With the entrance of the two units into Hunan, General Ho Chien, Chairman of the Hunan Provincial Government, instructed the Magistrates of Chenchow and Hengchow, southern Hunan, to accord the troops every facility including the hiring of 500 laborers for transportation of their supplies.

Although two detachments of the 19th Route Army have already arrived on the Kwangtung-Hunan border, no date has yet been fixed for the departure of the main-body of the Independent Fourth Division for the North. The 19th Route Army is now concentrated at Lochang, on the Kwangtung-Hunan border. Although General Ho Chien, of Hunan, has indirectly expressed his welcome to the 19th Route Army, no formal telegram to this effect has yet been received in Canton.

Chan Kuo-kwang, representative of Genral Ho Chien, Chairman of the Hunan Provincial Government, arrived at Canton May 11 to express to General Tsai Ting-kai the welcome of his chief to the expeditionary army.

General Chen Ming-shu, former Minister of Communications, and General Tsai Ting-kai, Commander of the 19th Route Army, sailed for Foochow May 17.

Newspapers and incoming and outgoing telegrams are being censored at Canton as from May 20 by censors appointed by the South-west Executive Committee, the 1st Group Army and the Public Safety Bureau.

Clash Between Cantonese and Hunanese

A special telegram to *The Review* from Hongkong May 22 stated that vanguard regiments of 19th Route Army troops mobilised from Fukien for Peking which entered southern Hunan through Shiukwan during the week-end clashed with General Ho Chien's Hunanese troops at Chenchow, southern Hunan on Sunday, May 21. Both sides suffered casualties. The Cantonese blame the Hunanese for firing first. Subsequently the Cantonese retreated to Kanchow to await reinforcements. They declared they must pass Hunan despite the opposition of the local military. General Ho Chien ordeded the Hunanese to cease fighting. He telegraphed to Canton apologizing for the incident.

Eugene Chen Draws Up New Foreign Policy

At the meeting of the South-west Political Council in Canton May 16 Eugene Chen's new foreign policy was brought up for discussion and adopted. The meeting decided to refer the matter to the Nanking Government for acceptance and execution.

Has Kalgan Joined Manchukuo ?

Chinese circles in Peiping describe as absurd Japanese reports from Tokyo that Kalgan has announced its adhesion to Manchukuo and that Manchukuo has sent officials to take over authority there. It is pointed out that the presence of Marshal Feng Yu-hsiang there, who has repeatedly declared his determination to resist if the Japanese or Manchukuo troops should come, affords the best guarantee against any defection.

Marshal Feng was stated to have made a secret trip to Peiping end of last week.

Soviet Russia and the C. E. R.

BY SHEN HSUE-CHUAN (沈 雪 川)

SOVIET Russian is a new-fledged power founded on a political system which makes her an enemy of all other nations of the world. At present, she is undergoing a period of reconstruction and has her hands full in her own house-keeping. Therefore, she has to remain on good terms with her neighbors for the time being. This explains the fact that she has entered into non-aggression pacts with many of her neighboring countries. Taking advantage of this situation, Japan has recently brought strong pressure to bear on her and in order to nourish her strength and toavoid an open clash with Japan Russia has to yield to iron will of the Japanese Militarists by offerng the sale of the Chinese Eastern Railway to Japan as a compromising measure.

Since the Manchurian Affair on Sept. 18, 1931, the C. E. R. has become a very thorny problem for both Russia and Japan. During the early stages of the trouble, the Japanese have spread many rumors interpersed with threats to the effect that Russia would sell the C. E. R. to Japan and that France would likewise sell her shares on the Railway to her. At times, it was even rumored by the Japanese that the C. E. R. Authorities had actually approached the Administration of the S. M. R. for the sale of the Harbin-Changchun Section of the Railway to Japanese interests. But an investigation of these rumors reveals that the French shares of the Railway which France purchased during the time of Czarist Russia have already been declared invalid by the Soviet Regime and that France has no more right to matter in any way with the Railway. But taking advantage of the Manchurian situation, France actually has the intention of utilizing her invalid claim to acquire some control of the Railway. On one occasion, the French Foreign Office instructed the French Consul-General at Harbin to investigate into the conditions of the C. E. R. and to submit a report on the same. Upon receipt of the instruction on Dec. 1931, the French Consul called on the Japanese Consul, Oshashi, at Harbin and discussed the matter with him. In the course of the conversation, the French Consul is said to have offered on behalf of his Government to sell to Japan the French stocks on the Railway at a price of Yen 80,000,000 and later, the Manager of the Russo-Asiatic Bank personally went to Manchuria in connecton with the matter. In view of the interest aroused by the Japanese rumors internationally, the Consuls of United States, Great Britain, Germany and other countries at Harbin also received instructions from their respective Governments to investigate into the affairs of the C. E. R. The American and British Consuls called on Mr. Rudy, Head of the C. E. R. Administration and asked for a confirmation or denial of the report concerning the rumored sale of the C. E. R. to Japan and Rudy solemnly declared that Soviet Russia had not the slightest intention to sell the C. E. R. and that no third Power had any right to interfere with it. He further said that the C. E. R. was the joint property of China and Russia and that all the share stocks issued by the Czarist Regme had been declared null and void. As a result of the flat denial made by Rudy on behalf of Russia, the Japanese plot of acquiring control of the Railway utterly failed. In order to appease the feelings of the C. E. R. Authorities aroused by these rumors, the Managerment of the S. M. R. dispatched an official to Harbin to pay a visit to Rudy and assured him that Japan had no intention to buy the Harbin-Changchun section of the Railway and that France did not send any official to Japan to negotiate with her concerning the sale of the French shares on the Line to Japan. But as subsequent events proved, these are mere empty assurances.

After the capture of Harbin by the Japanese Forces and the establishment of the puppet "Manchukuo," Japan has become more bold and aggressive. Recently, she has openly instigated "Manchukuo" to demand Russia to return the rolling stock of the Railway detained in the Russian territory timed with an ultimatum which expired on May 12. For a while, the relations between Russia and Japan became very much strained and war clouds gathered thick on the Manchurian horizon. In face of the threatening situation, Russia, however, gets a cold feet and weakens in her stand. In stead of maintaining her right on the Railway, she has officially offered to sell the Line to Japan or her puppet organ, "Manchukuo" for a sum of 300,000,000 gold roubles. Welcoming the great opportunity, Japan readily consents to consider the offer and agrees to purchase the Railway at a price of Yen 80,000,000 to be paid in four installments.

This secret deal with Japan on the part of Soviet Russia has sprung a great surprise to China and the rest of the World. Russia is contradicting herself in her actions and attitude toward the C. E. R. problem and the gesture is a serious blow to the renewed friendly relations between China and Russia, thoroughly bearing Russia's bad faith towards China. She is capitalising at China's weakness and unfortunate situation in undermining her power and authority and belying her professions of friendship for China, for the sale of the Railway to Manchukuo virtually means the recognition of the Japanese puppet state in Manchuria.

The recent statement made by Litvinoff, Russian Commissar of Foreign Affairs, concerning the status of the C. E. R. will have serious effect on the Far Eastern situation. He openly admitted that the Soviet Union was contemplating the sale of Russian interests in the Railway to Japan or "Manchukuo." Mr. Litvinoff, when told that this offer was tantamount to the recognition of Manchukuo by Russia, replied that he was aware of the implication but did not mind it, as the Soviet Government is not a signatory to the League resolution against recognition of Manchukuo. Anxious for the success of the deal, Mr. Litvinoff even requested a speedy reply to the inquiry whether Japan was prepared to negotiate for the purchase of the C. E. R. As a result of his utilateral action, Mr. Litvinoff has completely ignored the Chinese interests on the Railway. His statement, as it is, constitutes a flagrant violation of the Sino-Soviet Agreement of March 31, 1924 and the Mukden-Soviet Agreement of Sept. 20, 1924. According to Para. V of Article IX of the 1924 Sino-Soviet Agreement, it is provided "The future of the C. E. R. shall be determined by the Republic of China and the U. S .S. R. to the exclusion of any third party or parties."

In view of this categorical provision, Soviet Russia has absolutely no right to assign its interests in the Railway to any country without China's consent and last of all to an enemy of China, Japan. The offer is not only a violation of the Agreement, but in fact constitutes an act of aiding and abletting the aggressor.

Para. II of the same article in the Agreement reads:

> "The Government of the U. S. S. R. agrees to the redemption of the C. E. R. by the Government of the Republic of China."

and further, the article states that:

> "Neither Government would conclude any treaties or agreements which would prejudice the sovereign rights or interests of either party."

Judging by these specific provisions in the Agreement, it is evident beyond all doubts that the Soviet Government has no right to conclude with any third party any treaty which prejudices China's sovereign rights and interests in the C. E. R.

Litvinoff's explanation about Soviet's refusal to accept the League's invitation to join the Advisory Committee has placed Soviet Russia in a position diametrically opposed to that taken by the United States, also a non-member of the League, but participating member of the Advisory Committee and in that sense, has brought Russia and the United States into a relationship that does not augur well for the resumption of diplomatic relations between the two countries, from which Russia has so much to expect. Mr. Litvinoff further held that negotiations with Mo Teh-hui for the sale of the Line to China in 1930 justified Russia's sale to other countries, if Russia desires to do so at present. This stand is absolutely untenable from the standpoint of the Sino-Soviet Agreement of 1924 which provides for the acquisition of the Railway only by China to the exclusion of any other Party. Mr. Litvinoff, in an attempt to explain the Soviet's stand regarding the C. E. R. said in his statement that Railway, so far as Russia was concerned, was originally a Czarist poltical adventure and that the Soviet Government now desires to divest itself of any political interest in Manchuria. But, it may be pointed out that between 1924 and the present, the political significance of the Railway has always been present and if Russia's intention is only to clear herself of the former Czarist Imperialist tint, she could have have done so long ago by selling the Line

to China at a moderate and reasonable price. Despite her disclaim of imperialist intention, she has however, kept a firm hold of the Line up to the present and now in order to court favor of the militarily-strong Japan, she capitulates to her at the expense of China.

The Chinese Government has been prompt in its reaction against the Russian deal with Japan, as soon as the news of proposed sale of the Railway to Japan became known. Besides instructing Dr. W. W. Yen, Chinese Ambassador to Russia, to lodge a protest with the Soviet Government, the Ministry of Foreign Affairs has issued a long statement, emphasising the point that China and Russia are the only parties which have legal rights and interests in the C. E. R. and no new arrangement concerning the C. E. R. can ever be recognized by the Chinese Government. It is astonishing to note that while M. Karakan, Soviet's Vice-Commissar for Foreign Affairs, officially assured Dr. W. W. Yen to the effect that the sale of the C. E. R. without the consent of the Chinese Government would be a violation of the Peking and Mukden Agreements of 1924, Litvinoff in his statement not only completely discredited Karakan's assurance to Dr. Yen, but openly and formally announced that Russia was actually prepared to sell the Railway to Japan. Litvinoff complained that China has not since the middle of 1931 carried out her obligations under the Agreement and has not appointed a member to the C. E. R. Board. While his complaint is indeed true, however he has failed to take into consideration the abnormal circumstances prevailing in Manchuria since that time, which Russia, as self-professing friend of China, should sympathize with, but should not take advantage of. He forgets to consider that China has not declined to assume her obligations, but she has been incapacitated of doing so by *force majeure* of circumstances. It is an elementary principle in International Law that when the existence of *force majeure* prevents the carrying out of obligations, the obligations are presumed to be merely in abeyance and the technical defaulter is not held responsible. To insist that China must fulfil her obligations under the existing circumstances on the Railway is to expect the impossible of her and to take advantage of this is tantamount to what described in a Chinese proverb "To rob a House while it is on fire."

Moscow's present move in offering the sale of the C. E. R. to Japan in disregard of Chinese interests can not but bring most unfavorable influence on the newly re-established relations between China and Russia and may produce serious reactions—which at present are confined largely to protests by the Government and public bodies. While China is perfectly conscious that she is at present in no position to prevent the Soviet Government to sell the C. E. R. to Japan, she will treasure Russia's ill-faith in her memory for times to come. Judging both from the standpoint of her self-claimed profuse friendship to China and the reaction of the world opinion on her deal, it is, to say the least, unsportsmanlike. If the Soviet Government really means to carry out the proposed sale of the Railway to China's enemy, she may regret her action and short-sighted policy someday in future. But, of course, it would be an entirely different thing, if Communist Russia and Imperialist Japan should have found it profitable to join hands in their common happy work of despoiling China.

Peiping, May 23, 1933.

Chinese Intellectuals Protest Against Sale of C. E. R.

A delegation of Chinese Middle School Teachers' Association in Shanghai called on the Russian Ambassador, M. Bogolomov, on May 23, protesting against the proposed sale of the Chinese Eastern Railway to Japan by Russia. The delegation was received by a secretary of the Russian Legation on behalf of the Ambassador and presented a written protest to the latter with the request to be forwarded to the Soviet Government in Moscow. The protest points out that C. E. R. is the joint property of China and Russia and the sale of the Railway by Russia to any third party without China's consent is a violation of the Sino-Soviet Agreement of 1924 and will not be recognised by China. The Soviet Government is urged to respect the Chinese rights in the Railway by observing the obligations under the Agreement and to re-consider its attitude toward the matter so as not to affect adversely the newly re-established friendly relations between the two countries. The Chinese University Professors' Association in Shanghai has already dispatched a telegram to the Soviet Government in protest against the proposed Soviet deal with Japan in connection with the C. E. R.

Colonel Kilgore Funeral Held May 22

Funeral services for the late Colonel Fred D. Kilgore, former commander of the U. S. Fourth Marines in Shanghai were held in the Holy Trinity Cathedral, Shanghai, May 22, after which the remains were put on board the s.s. *President Taft* for the United States, where interment will take place. The service was attended by a huge throng, including military and civil officials and prominent persons in all walks of life, including Chinese and Japanese.

Chaplain Dyer, of the U.S.S. *Houston*, was assisted in the service by Bishop F. R. Graves and the Dean (the Very Rev. A. C. S. Trivett). A United States flag draped the pulpit, close to the casket on which lay the colonel's sword, cap, and gloves.

As the casket left the Cathedral, a guard of honor from the 1st Battalion of the Fourth Marines presented arms. The coffin was borne out to the waiting hearse by non-commissioned officers of the regiment. Headed by the Fourth Marines Band, the American Troop, S.V.C., and Company K. Fourth Marines. The clergy and hearse were followed by an honorary international escort of approximately twenty-five men each from the U. S. Navy, British, French, Italian, and Japanese Forces and Shanghai Volunteer Corps. Lining the route were sixty men of the U.S.S. *Houston*, 20 of the Japanese Naval Landing Force, two hundred men of the Argyll and Sutherland Highlanders and 2nd East Lancashires, sixty Italian sailors, a French naval and military detachment 120 strong, and 150 of the Russian Detachment, S.V.C.

The funeral procession proceeded slowly to the jetty where an international guard of honour awaited to pay final honors. The road was lined on both sides by detachments representing every unit in the foreign garrison.

As honorary pall bearers there were Admiral M. M. Taylor, Commander-in-Chief of the United States Asiatic Fleet, Admiral T. Sugisaka, Commander of the Japanese Naval Landing Party, Edwin S. Cunningham, Consul-General for the United States, Brigadier G. Fleming, Commanding the British Forces, Shanghai Area, Captain di Vascello, A. Cesarana, Commander of R. N. *Quarto*, Captain J. H. Merriam, U.S.N., officer in charge of the Navy Purchasing Office, Captain W. Baggaley, commanding U.S.S. *Houston*, Colonel J. F. Dyer, Fleet Marine Officer, U. S. Asiatic Fleet, Colonel N. W. B. B. Thoms, Commandant of the Shanghai Volunteer Corps, and Colonel R. H. Labonne, Commanding French Forces in Shanghai.

General Wu Teh-chen, Mayor of Greater Shanghai, was among those present.

Colonel Beaumont Will Command Fourth Marines in Shanghai

Colonel John Colt Beaumont has been named to succeed Lieut.-Colonel F. D. Kilgore to command the United States Marine detatchment here. He will sail from Washington June 24.

The new commandant was born at Washington, District of Columbia, on October 7, 1878, and has always made his home there. Colonel Beaumont is considered one of the best trained officers in the Marine Corps. He is a graduate of the Naval War College, the Army War College and the Army School of the Line.

He at present commands the Marine Barracks at the Navy Yard, Washington D.C. The new chief of the Fourth Marines was promoted to the rank of Colonel on February 24, 1926, when he was 44. Colonel Beaumont is a widower.

China Prepares Budget for Coming Year

A recent Nanking telegram stated that the National Budget of the Chinese Government for the 22nd fiscal year commencing on July 1 is now under preparation by the Directorate-General of Budgets, Accounts, and Statistics; the various Government organs having been requested to submit estimates of revenues and expenditures for the next fiscal year.

Estimates for debt payments have already been compiled and reveal the following figures:—For domestic loans, $109,919,342; for foreign loans, $65,760,480; boxer indemnities, $55,823,758; charges for the service of loans, $338,224; reserve fund for readjustment of foreign and domestic loans, $10,000,000. Total—$241,841,804.

These figures show an increase of about $18 millions as compared with that for the current fiscal year, which amounts to $223,961,247.

History of Japan's Intrigues in China

(People's Tribune, May 16)

IN pursuance of her imperialistic designs, Japan has, ever since the establishment of the Republic, persistently aimed at perpetuating civil strife in China with a view to preventing China's national unification and consolidation. For it has always been Japan's policy not so much to support one faction against the other, but rather to render assistance simultaneously to both sides so that neither could be fatally crushed and the civil war thus be kept going, leading ultimately to a complete national disintegration.

Thus Japan was actively interested in the activities which the early Chinese revolutionaries carried on against the Manchu Dynasty within the confines of the Island Empire, and provided funds in support of the revolutionary movement. But her real intention as a nation, was to keep China divided against herself rather than to assist the revolutionaries in establishing a free, democratic, Republic—however sincere individual Japanese sympathisers might have been. This was fully substantiated by her double dealings with both sides. While on occasion supporting Dr. Sun Yat-Sen and his followers, Japan was giving every assistance to the Manchus at the moment when the Revolution was about to succeed. For what she wanted in 1911 was a Republic in South China and a Manchu monarchy in the North of China, both perpetually at war. And the plot might have materialized if, among other things, Great Britain had supported, or tacitly acquiesced in, what Japan was doing. For the British Government was reported to have first protested against Ijuin's advice to Yuan Shih-Kai to uphold the Manchu Dynasty, secondly, against a proposed loan by Japan to the Manchu Government, and thirdly against the proposed armed intervention. As Sir Claude MacDonald, then British Ambassador at Tokyo, put it:

> "The Japanese authorities profess to believe that the revolution is a series of sporadic local affairs. We don't. We believe it is developing into a national movement. We say that it is like a river in spate; they say it is only a little stream which can be easily stopped."

The difference of opinion between the two Governments was further shown in a Japanese official statement issued at Tokyo to the following effect:

> "The Japanese Government from the first considered a monarchical system most suitable for the Government of China, and on Yuan Shih-Kai taking the reins of Government, the Tokyo Foreign Office believed that the trouble in China would come to an end with the adoption of a monarchical government. On receiving an invitation from the British Government to join in the mediation for peace negotiations, the Japanese Government suggested that the mediation should be undertaken only on condition of the adoption of constitutional monarchy. The British Government, however, was of a different opinion, and refused to agree to the condition stipulated by the Japanese."

Japanese Scheme Frustrated by British

Thus Japan's scheme of splitting China by simultaneously supporting both sides was temporarily frustrated by the British policy of neutrality. But failing in this, she proceeded, a few years later, to organise a monarchical movement in the Three Eastern Provinces against the Chinese Republic, of which we cannot have better evidence than what is revealed in a secret document from the hand of Baron Shimpei Goto, once Civil Governor of Formosa, Minister of Foreign Affairs and Minister of Home Affairs. This document was privately circulated among prominent Japanese officials with a view to exposing the methods employed by the Okuma Cabinet—then in power—to stir up trouble in the Three Eastern Provinces and in Mongolia. Originally meant to bring discredit to the Okuma Cabinet, this document becomes an important source-material throwing a most interesting light on Japan's intentions in China, establishing beyond doubt the responsibility of the Japanese Government for the plot which aimed at restoring the Dragon Throne in China under Prince Su, who, since the establishment of the Republic had been living in Dairen with his sons and relatives, as well as his followers, as protégés of Baron Fukushima. The importance of the document is such as to justify its reproduction in English translation as a separate article elsewhere in this issue.

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The Nishihara Loans

During the flourishing days of the Anfu Party under Marshal Tuan Chi-Jui, Japan advanced, in 1917-18, a large number of loans to the Government at Peking, which loans, arranged by the Japanese secret agent Nishihara, are generally known as the Nishihara Loans. The most important of these loans is given in the table further on.

Taking advantage of the Power's absorption in the European war, Japan had launched a vigorous economic offensive with a view to getting China into her financial grips. Thus the indiscriminate issue of loans to the rapacious Anfu Clique then in control of the Government at Peking, on the security of various railway lines, gold mines, forests, and other resources, developed and undeveloped, real and fictitous. The immediate consequence of these loans was the renewal and intensification of the civil war in China. But judging from the way in which the loans were floated, this was precisely what Japan had in mind—to create further trouble in China and to get control over her economic resources for a mess of pottage. The very liberality of the Japanese financiers, the absence of any restrictions and safeguards in the matter of disbursements which run to well over one hundred million yen, the fact that the loans were negotiated not through Baron Hayashi, the official Japanese representative at Peking, but instead through the Japanese Prime Minister's own secret agent, Mr. Nishihara—whose identity remained for some time a mystery—were all factors giving ground for suspicion. Officially, the Japanese Government was prohibited from pursuing an independent financial course in China, for it and its fiscal agent, the Yokohama Specie Bank, were parties to the international banking group which were signatories, with the approval of their Governments, of the Reorganization Loan Agreement. It was to obviate this difficulty that the loans were conducted through different Japanese banks such as the Chosen Bank, the Taiwan Bank and the Industrial Bank of Japan, and through the mysterious Mr. Nishihara, ostensibly without the official knowledge or countenance of the Japanese Foreign Office and of the Japanese Legation at Peking. When events turned against what, to say the least, was dubious diplomacy, the Nishihara undertaking was thus blamed on the Terauchi Government, while the new Cabinet which was subsequently formed at Tokyo, could disclaim responsibility for what had been done by its predecessor.

THE PRINCIPAL NISHIHARA LOANS

DATE	OSTENSIBLE PURPOSE	AMOUNT Yen
September, 1918	Purchase of arms and ammunition (First)	18,700,000
November, 1918	Purchase of arms and ammunition (Section)	13,300,000
April 30th, 1918	Extension of telegraph lines	20,000,000
June 18th, 1918	Advance for the Kirin-Hueining Railway	10,000,000
August 2nd, 1918	Gold mining and forestry in Heilungkiang and Kirin	30,000,000
Sept. 28th, 1918	Development of railways in Manchuria and Mongolia	20,000,000
Sept. 28th, 1918	Advance for Tsinan-Hsungta and Kiaochow-Hsuchow Railways	20,000,000
Sept. 28th, 1918	Participation in the European War	20,000,000
	TOTAL Yen	152,000,000

The fact however that the Nishihara loans were "unclean" was subsequently admitted by the Japanese Foreign Office under the Hara Cabinet which on account of the other Powers deemed it advisable to reverse the loan policy of the previous Terauchi Government, apparently at least. In a statement published by that Office, we find thus the following:

> ". . . It *(the Japanese Government)* fully realizes that loans supplied to China, under the existing conditions of domestic strife in that country, are liable to create misunderstandings on the part of either of the contending factions, and to interfere with the re-establishment of peace and unity in China, so essential to her own interests as well as to the interests of foreign Powers.
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> "Accordingly, the Japanese Government has decided to withhold such financial assistance to China, as is likely, in its opinion, to add to the complications of her internal situation. . . ."

The Tottering Tuan Chi-Jui Government

The sentiment embodied in the above statement brought an end to the Nishihara activities in China. But the damage has already been done and cannot be undone, for the loans which had already been completely or partly advanced to China had enabled the tottering Tuan Chi-Jui Government to carry on its warfare against the South and so prolonged the disunity of the country.

As a result of Japanese instigation, or even direct intervention, the Three Eastern Provinces have ever since the beginning of the establishment of the Chinese Republic, refrained from fully co-operating with the Central Government. It was to deliver themselves from the Japanese domination and control which was specially marked over the older generation of officials that the

young and progressive elements of the rank and file in the Provinces participated in the reform movement of 1925 under the leadership of General Kuo Sung-Lin.

As the movement was popular with the people, it received support from all sides. On November 22, 1925, General Kuo sent out a circular telegram from Luanchow demanding that Marshal Chang Tso-Lin resign in favor of his son, General Chang Hsueh-Liang, and that all hostilities between the Peking Government and the authorities outside the Great Wall be ended. Before receiving Marshal Chang Tso-Lin's reply to his demand, General Kuo marched his troops outside Shanhaikwan toward Shenyang (Mukden), the capital of Liaoning, inflicting severe losses on Marshal Chang's forces. The old regime at Mukden was tottering.

At the crucial moment, however, Japan acted. The headquarters of the 10th Division of the Japanese army at Liaoyang was, on December 9th, moved to Shenyang. On the 15th, the Japanese Government ordered the Japanese forces at Lungshan (Korea) to enter the Three Eastern Provinces. The forces arrived at Mukden on the 19th, concentrating in that city. Japan then openly intervened with the object of preventing the marching of General Kuo Sung-Lin's forces toward Yinkow, declaring that no Chinese troops were allowed to enter within 20 *li* of the so-called "zone" of the South Manchuria Railway. Shenyang being within this very area, the Japanese declaration thus meant that General Kuo's forces could never attack the provincial capital and bring about the downfall of the old regime without coming into direct conflict with the Japanese.

Japan's violation of Chinese sovereignty and glaring interference in China's internal affairs naturally caused a nation-wide indignation all over China. The Peking Waichiaopu and the Chinese Legation at Tokyo lodged strong protests with the Japanese Government, which were, needless to say, entirely disregarded. There was further every indication that the Japanese army, with its headquarters at Shenyang, had taken an active part in directing operations against General Kuo Sung-Lin. It was due to this, and other, assistance by the Japanese to Marshal Chang Tso-Lin that General Kuo was finally captured and executed with his wife on the battlefield. As a direct result of the Japanese intervention the reform movement in the Three Eastern Provinces of General Kuo Sung-Lin thus collapsed and for several years delayed the unification of China and the consolidation of the authority of the Central Government.

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The March Northward

With the capture of Nanking in 1927, the National Revolutionary forces were enabled to push northward and to occupy, Pengpu and Hsuchow along the Tientsin-Pukow Railway. But about to enter Shantung, Japan at once intervened with a view to checking their advance. Thus on May 27th, the Tanaka Government made a declaration that Japan would despatch 2,000 troops to Tsingtao to protect the lives and property of her nationals in Shantung. On May 30th, a Note to this effect was sent to the Peking Government which however protested with the Japanese Legation against this action, a protest which was reinforced by one lodged by the National Government at Nanking on June 1st following—pointing out that there was no reasonable ground for Japan to despatch troops to protect her nationals in China as the National Government itself was in a position to guarantee their safety, that her action was especially unfriendly towards the National-Revolutionary troops then marching on Shantung, that Japan's interference in China's internal affairs would destroy any good-will felt by the Chinese people towards Japan, that therefore the Japanese Government should effect the immediate withdrawal of the Japanese troops from Shantung.

In spite of these protests the Japanese Government saw fit to send a brigade of 4,000 men to Tsingtao to replace the troops stationed there who had been ordered on July 7th to march on Tsinan. Large amounts of arms and ammunition were supplied to the leaders of the Northern forces while the very presence of the Japanese troops greatly obstructed the operations of the forces under the command of the National-Revolutionary General Chen Yi-Yen along the Kiaochow-Tsinan Railway. A Japanese individual of the name of Yamanashi arrived at the same time at Peking as the personal representative of Premier Tanaka, with the mission of inciting Chinese war-lords in the North to unite against the Northern Expeditionary forces which, having already reached Taianfu in Shantung, were temporarily at least presented from making any further advance, as the direct result of the Japanese intervention.

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The Expedition against the Northern war-lords was resumed in April, 1928. The National-Revolutionaries had won a series of brilliant victories and reached the vicinity of Tsinan when again Japan intervened, and between April 19th and 30th despatched over 3000 troops under the notorious Commander Fukata to Tsinan, which, on May 1st, was captured by the National-Revolutionary forces. Intent on creating trouble, the Japanese resorted to all kinds of provocative actions, indulging in war-like preparations, and, without any reason, started, on May 3rd, firing upon the Chinese troops. They surrounded the first battalion of the Revolutionary Army, proceeded to bombard the defenceless city of Tsinan, massacring the civilians and setting their houses on fire, shelling the wireless station and the arsenal in the vicinity, and causing as a result the death of over one thousand Chinese.

General Chiang Kai-Shek, Commander-in-Chief of the Revolutionary Army, in an attempt to pacify the international lawbreakers thus sent a representative to negotiate a settlement with the Japanese. The American, German and British Consuls also offered their good offices of mediation. But all their efforts were in vain, for the Japanese continued their hostilities. They raided the temporary office at Tsinan of the Chinese Foreign Minister and brutally murdered Tsai Kung-Shih, Commissioner of Foreign Affairs of Tsinan, and his whole staff of over ten members. The Tanaka Cabinet had decided on the forcible seizure of the Kiaochow-Tsinan Railway, and with this object in mind had despatched additional troops to Shantung. Thus with arrival of the Japanese 28th Brigade on May 6th, Commander Fukata sent an ultimatum, on May 7th, to General Chiang Kai-Shek demanding that the Chinese troops stationed at Chang-chuang and Sing-chuang be evacuated, within 12 hours, and that no Chinese troops be allowed to come within 20 *li* of Tsinan and of the territory along either side of the Kiao-chow-Tsinan Railway. Only 12 hours were allowed for a reply which, in view of the fact that General Chiang had already left Tsinan for Tang-chia-chuang, the time limit was obviously inadequate. But the Japanese did not wait and early in the morning of the 8th started their attack upon the walled city of Tsinan.

A Desire to Avoid War

Desirous to avoid war with the Japanese while still engaged in the struggle for national unification, all the Chinese armies were ordered by General Chiang to withdraw from Tsinan. Part of the Chinese troops had crossed the Yellow River with a view to pushing forward the northern expedition, while the remainder retreated southward along the Tientsin-Pukow Railway. This however did not prevent the Japanese to open machine gun fire upon the trains which carried the Chinese troops along the Tientsin-Pukow Railway and to bombard the railway bridge across the Sha River, south of Tsinan, as they seemed determined to prevent these latter from advancing northwards. All the Chinese armies were withdrawing from Tsinan, only one regiment of the 41st Army being left to defend the native walled city which, in spite of the heroic resistance put up by the Chinese defenders, fell to the Japanese on May 11th, as the result of the three days of continued bombardment with heavy artillery by the Japanese.

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Seriously handicapped by Japanese intervention at Tsinan, the National-Revolutionary troops were nevertheless able, through a detour, to continue their drive northwards. For the third time more reinforcements were sent to China. The Third Division under Nagoya arrived at Tsingtao on May 17th, and in addition, five battalions were also despatched to Tientsin and several battleships sent to the Yangtze River.

As the National-Revolutionary armies were approaching the old capital Peking, the Japanese Government, on May 18th, through its Consul and Minister, handed to the National Government at Nanking and the Peking Government respectively a Memorandum stating, *inter alia*, that "should the disturbances develop further in the direction of Peking and Tientsin and the situation become so menacing as to threaten the peace and order of Manchuria, the Japanese Government, on its part, might possibly be constrained to take appropriate and effective steps for preserving peace and order in Manchuria." The repetition of the Tsinan Incident however was avoided at Peking by Chang Tso-Lin's voluntary

retreat, thus depriving the Japanese of any pretext they had for creating trouble.

For Japan's intentions were disclosed in the Note presented on May 19th, 1928 by Mr. Yoshizawa, Japanese Minister at Peking, to Marshal Chang Tso-Lin, stating that if the civil war extended to the Three Eastern Provinces Japan would take such effective steps as she deemed necessary, and, also in the verbal warning to the Marshal not to return to Manchuria.

Japan was determined to prevent Marshal Chang's return, and the headquarters of the Kwantung Army was then moved to Mukden. In a series of swift movements, the Japanese Commander Muraoka concentrated. on May 22nd, one division, two brigades and one defence battalion of Japanese troops in the provincial capital. Marshal Chang however chose to ignore Japan's warning and left Peking at midnight on June 2nd en route for Mukden, but only meet his death. For on June 4th, just at the juncture of the South Manchuria Railway and the Peking-Mukden Railway, between Huangkutun Station and the New Station at Mukden his train was wrecked by an electro-bomb, as a result of which he died shortly afterward.

The extraordinary accuracy with which the timing, and other things connected with the explosion, were performed, indicated that the perpetrators of the outrage were in possession of the most accurate information on the movement of Marshal Chang's train, which could only have been furnished by those in control of the means of communication, and that therefore the assassination could not have been carried out without the active participation of the Japanese military. For it should also be noted that a few days before the explosion, the Chinese guards who, by agreement with the Japanese, ordinarily policed the Peking-Mukden Railway at that particular crossing, had been arbitrarily ousted by the Japanese soldiers in charge of the South Manchuria Railway on the upper level, who were thus in sole control of the crossing of two railways at the time when the Marshal's train was blown up.

As nobody at that time, except by special permission of the Japanese military headquarters, was allowed to enter the area it should be self-evident as to who were responsible for the carefully planned explosion.

The reasons for assassinating Marshal Chang can be easily understood. Japan had desired to keep the Marshal and his soldiers inside the Great Wall, firstly, in order that she might have a freer hand to do whatever she wished in the Three Eastern Provinces, and secondly, to prolong the period of war between the Kuo-Min Tang troops and the Mukdenites, so as to weaken both parties and delay the final unification of the country.

Japan Disappointed in Chang Tso-lin

Furthermore, Japan had evidently been disappointed with the reward from Marshal Chang for the assistance she had rendered in helping him to crush General Kuo Sung-Lin's revolt. Instead of agreeing to continue as a mere tool to Japan, Marshal Chang saw fit to withhold from her many privileges which she had desired to acquire, and, in addition, had also built the Tahushan-Tungliao Railway to the great annoyance of the Japanese who regarded the line to have adversely affected their interests. Thus Marshal Chang had to be got rid of, if only to facilitate Japan's future schemes in the Three Eastern Provinces and Eastern Inner Mongolia.

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The assassination of his father by the Japanese military did not, however, prevent General Chang Hsueh-Liang on July 1st, 1928 from sending a telegram to the National Government at Nanking offering his allegiance, following up this action by sending, on July 10th, four representatives to see General Chiang Kai-Shek who advised that the Three Eastern Provinces should first fly the new national flag. While arrangements were made to effect this change on July 22nd, the Japanese Consul-General at Mukden received an instruction from his Government to give a warning to General Chang Hsueh-Liang not to take the proposed step. The warning was given in the form of a threat rather as a friendly advice, with the result that General Chang did not carry out his intentions.

Thus a strong protest was lodged on July 21st by Wang Yung-Pao, Chinese Minister at Tokyo, with the Japanese Foreign Office objecting to Japan's interference in China's internal affairs. On the Japanese Government denying that it sanctioned the action of its Consul-General at Mukden, the National Government thus demanded, on July 31st, that he be immediately instructed to stop his activities and his conduct severely censured.

On July 28th, General Chang Hsueh-Liang again expressed, through his representatives at Peiping, his readiness to obey the Central Government and to hoist the new national flag. To counteract this, the Japanese Government sent, on August 4th, Baron Hayashi as a special envoy to Mukden, ostensibly to attend Marshal Chang Tso-Lin's funeral, but actually to convey a message of threat to General Chang Hsueh-Liang who was given to understand that in case he dared to act against Japan's wishes, the Japanese Government would consider itself free to take action in the Three Eastern Provinces, but that should he want to suppress the party among his followers who were in favor of rendering allegiance to the National Government, Japan would assist him in every possible way, including the use of force. And when on August 9th, Genral Chang Hsueh-Liang returned the visit to Baron Hayashi at the Japanese Consulate, he was again "requested" this time by the Japanese Consul-General in the presence of Brigadier-General Sato, not to fly the new national flag. On General Chang replying that his views were unreasonable, General Sato made the following significant remark:

> "This is not the time to argue what is, or is not, reasonable. Premier Tanaka has already decided that you should not fly the new flag and that is reason enough."

Subsequently, General Sato wrote to General Chang advising him to follow the "way of the kings," meaning that one should begin to rule with a small kingdom—as a protectorate of Japan. Similar bullying and blackmailing letters were also received by General Chang from numerous Japanese presumably written at the instructions of the Japanese Government. Indeed, the Japanese here then tried hard to make General Chang what the puppet Henry Pu Yi is to-day. And realising General Chang's determination to declare his allegiance to the National Government at any cost, Japan then made another attempt to eliminate his influence in the Three Eastern Provinces, by instigating the troops of General Chang Chung-Chang in an attack on him. In a battle at Changli, General Chang Chung-Chang won a minor victory, and thus proceeded to declare that he would march his troops towards Mukden to eliminate the evil advisers of General Chang Hsueh-Liang, meaning hereby those of General Chang Hsueh-Liang's followers who were in favor of supporting the National Government.

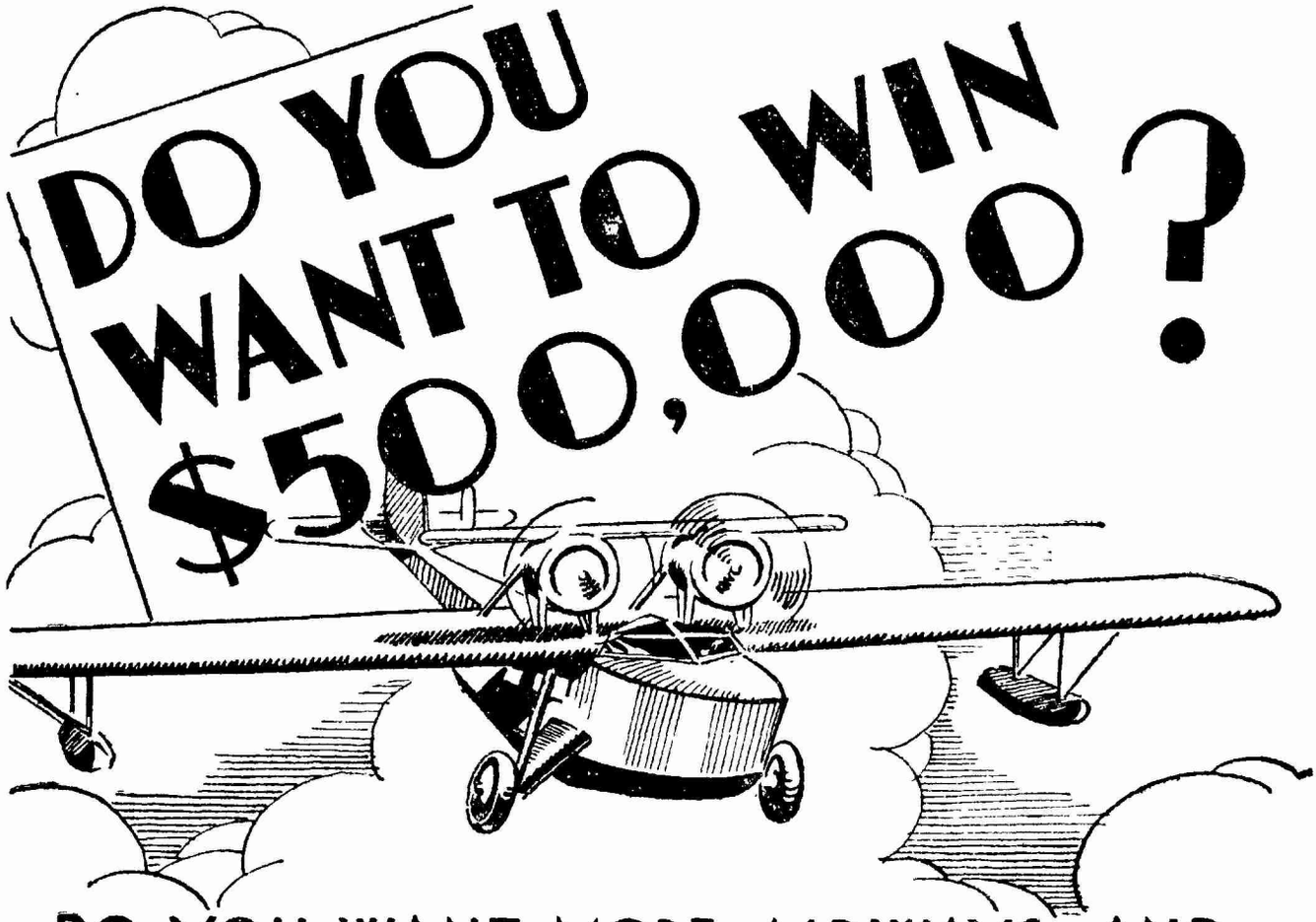
This final attempt by Japan, however, did not meet with success, and, before the end of 1928, in spite of all Japan's efforts, the Three Eastern Provinces formally declared its allegiance to the Chinese National Government and hoisted the new national flag.

In these circumstances, and in pursuance of her scheme to prevent, and break up, Chinese national unity, Japan thus engineered, after a *coup d'état* on September 18, 1931, a pseudo-independence movement in the Three Eastern Provinces and took various steps in contravention of the solemn international brigandage—which finally led to the establishment of the puppet government in so-called Manchukuo, while there is further every indication that in the present Communist-bandit campaign to overthrow the National Government and the *Sanminist* Republic of China the Japanese are at the back of, and secretly connive with, those whom their official propagandists have, for consumption abroad, declared to be a menace to civilisation in the Far East, a menace from which Japan alone could save China and the world.

Bargains in "Paradise"

(People's Tribune, May 15)

The repeated bandit raids and cases of kidnapping, during recent months, especially of foreigners, in Harbin, Newchwang, and other important centers in the Japanese-governed "Manchukuo," call to our minds the Japanese military's boast, at the time of their invasion of the Three Eastern Provinces, to the effect that the entire territory of Manchuria would soon be made into a Paradise for its residents. As a matter of fact, since the Japanese military struck their first blow at established Chinese authority in the Three Eastern Provinces on September 18, 1931, there has been but one occasion on which the Japanese came very near to fulfilling their word, and that was about a year ago when Henry W. Kinney, American adviser to the South Manchuria Railway, while travelling through the so-called "Manchukuo" on a Japanese guarded train, was relieved by bandits of all his belongings, including the suit he was wearing at



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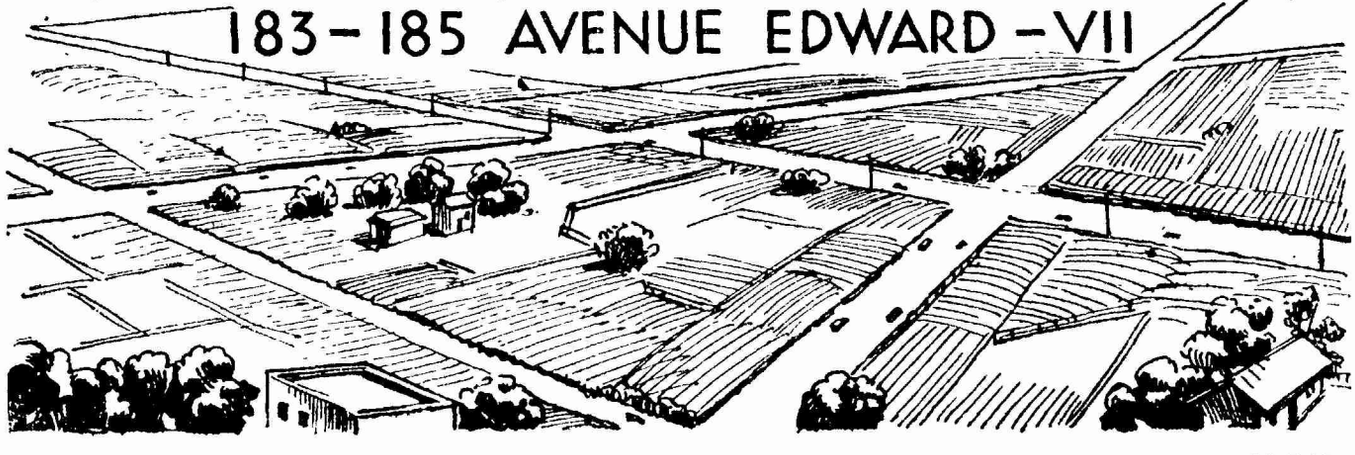

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the moment of raid, and was obliged, according to press messages, to walk, in the way as Adam did in the Garden of Eden, for some distance before he could appear as a conventional Westerner again.

To be sure, banditry existed in the Three Eastern Provinces even prior to the Sino-Japanese war. But then brigandage was localised, occurring mainly in remote mountainous regions and, moreover, was always kept well in check by the Chinese authorities. Since 1894, however, Japan's intrigues in the Three Eastern Provinces have been responsible for the rapid spread of the menace, for whenever it suited the Japanese to instigate internal troubles in the Three Eastern Provinces, they had only to keep the bandits generously supplied with arms and ammunition. This method was employed time and again until finally, when the Japanese decided openly to seize the Three Eastern Provinces from the Chinese Government, they found to their regret that they had created a Frankenstein monster in the numerous bands of brigands who saw fit to continue their existence and activities after they had served their purpose when the Japanese military had completed the invasion and occupation of Manchuria. Unfortunately, by now they had become so strong that the Japanese military began to wonder whether the tail was not beginning to wag the dog. For the bandits have now ventured forth from their lairs in the mountains to the cities where they have dared to stage raids in broad daylight not only on wealthy Chinese but also on the formerly sancrosanct foreigner, seeing sometimes also fit openly to quarrel among one another with regard to the lawful title of the hostage.

Insecurity of life in this Japanese-created "paradise," however, is only a minor matter compared with some of the other bargains which the world in general and the so-called "Manchukuo" in particular are now receiving from the Japanese in consequence of the latter's seizure of this valuable northeastern border region of the Chinese Republic.

The "Open Door" in Danger

For example, already there is a considerable apprehension on the part of several Powers as to whether the Open Door principle will be adhered to by the so-called "Manchukuo" authorities. The matter has received the attention of the American State Department while in the House of Commons in London questions have been asked as to the meaning of a recent statement by a Japanese adviser to "Manchukuo" to the effect that the "Manchukuo" Government would be obliged to apply a new tariff to those countries which have not recognized her. There seems to be no doubt as to the attitude of the Powers in regard to the question of recognition of the so-called Manchukuo. It is expected that the League of Nations would, as a matter of principle, recommend the non-recognition of "Manchukuo" and also her non-admission to any important international organizations such as the International Postal Union, the International Telegraph Congress and other similar organizations. In this matter, the United States of America is also expected to cooperate with the League, if not taking the lead.

There are, however, discriminatory measures which the Japanese could easily resort to in order to eliminate competition. Through the channel of the local administrations, the Japanese could cripple or render impossible the carrying on of business by any foreign interests. The fact that many foreign firms other than Japanese have recently discontinued their enterprises in Manchuria seems to point to the eventual elimination of most, if not all, of the foreign business in the Three Eastern Provinces. The Tokyo Foreign Office and the spokesman of the "Manchukuo" government could well afford to reiterate the principle of equal opportunities for foreign businessmen and investors, because there is nothing to prevent the so-called "Manchukuo" authorities from instituting "State" control and monopoly of any commercial and industrial enterprises on any basis they care. No-one, nor any government, could, for example, prevent the "Manchukuo" government from making the carrying on of commerce in "Manchukuo" territory an extremely exclusive affair with any country except Japan. In fact, with the rest of the world looking askance at "Manchukuo," there is every reason to believe that the Japanese military would have no difficulty in convincing themselves of the necessity of inducing the "Manchukuo" government to grant the most-favored-nation privileges to Japan.

First in the field to bring about Japan's preponderance over Manchuria may be mentioned several of the newly organized quasi-official Japanese development schemes which have already been put into operation. The so-called Manchu National Investment Company was organized some months ago under the auspices of the Kwantung Government with a capital of one hundred million Yen for the specific purpose of developing mines, promoting agriculture, afforestation and industries. The Manchu Gold Mining Company was formed almost at the same time, allegedly with joint private Japanese and "Manchukuo" capital, but in reality by the Tokyo Ministry of Colonial Affairs. The authorised capital was fixed at fifty million Yen and, according to recent press reports, many parties of mining engineers are now scouting throughout the three province in search of gold deposits. The Ministry of Colonial Affairs, together with the War Office, has also recently organized an association to encourage migration of large numbers of Japanese farmers and manual workers to the three provinces. Latest reports available indicate that at least as many as ten thousand families have been sent to Manchuria from various parts of Japan at the expense of the association during the past twelve months. Other similar official enterprises include the Manchu Land Development Company which was formed by the War Office with a capital of twenty million Yen and the Manchu Realty Company which has as its primary object the building of suburban Japanese communities.

Dominating Manchuria

Stimultaneous with the unfolding of the military and economic schemes for the domination and eventual annexation of the Three Eastern Provinces, there are several other significant undertakings between the Japanese government and the "Manchukuo" authorities which are reminiscent of the early relations between Japan and Korea immediately following the latter's annexation.

In the first place, General Muto's recent promotion to the rank of Marshal must be regarded as indicating the plan of the Japanese General Staff in regard to "Manchukuo." It will be recalled that in his capacity as Japan's accredited representative to the "Manchukuo" government, General Muto was theoretically responsible jointly to the Tokyo War Office, the Foreign Office and the Ministry of Colonial Affairs. With his promotion to the rank of Marshal his authority over the "Manchukuo" government is naturally increased, thus placing him on somewhat the same position as the Governor-General of Korea or Formosa. Instead of holding himself responsible to the three ministries in Tokyo, General Muto will be a free and independent agent of the Tokyo Cabinet which is in turn controlled by the Japanese General Staff.

As a preliminary step in the "japanization" of "Manchukuo," the fact may be cited that the Japanese General Staff has already completed arrangement with the "Manchukuo" government in regard to the question of police administration throughout the entire Three Eastern Provinces. According to available information gathered from press reports, the existing police system, which has come down from previous Chinese regimes under Chang Tso-Lin and his son Chang Hsueh-Liang, is shortly to be abolished, and in its place there will be established a joint Japanese-"Manchukuo" police administration which shall be directly responsible to the department of military police under the command of General Muto. In other words, the "Manchukuo" will shortly employ Japanese police throughout its territory.

That gigantic schemes are now under way for the transforming of the administration of the Three Eastern Provinces seems also to have been indicated by the struggle which is now going on between the existing Kwantung authorities and the new regime headed by General Muto. It has been pointed out that in consolidating its position in Manchuria, the Japanese General Staff has deemed it necessary and advisable to concentrate power into the hands of its representative in the persons of General Muto. Such a measure necessarily means the limitation of the functions and authority of the Kwantung government whose officials profess to see their eventual elimination as the power of General Muto extends over Manchuria. At any rate, whatever the internal struggle between rival Japanese factions, the fact remains that Japanese domination over and annexation of the northeastern border region of the Chinese Republic is daily becoming more certain. Our chief concern, as rightful owners of the territory, is to keep abreast of the various developments in the three provinces and to dedicate ourselves, in our respective fields of human activities, to the recovery of the lost territory, in order that not only our own, national, interests, but also those of the friendly Foreign Powers may be duly protected.

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Wang Ching-wei's Definition of China's Policy

BY PAUL K. WHANG (王仲芳)

WANG CHING-WEI, president of the Executive Yuan and leader of the Left Wing of the Kuomintang, has made his name known throughout China not so much because of his political sagacity and ability, as on account of his eloquence and outspokenness either in his speeches or in his writings. By virtue of his pen and tongue, he has successfully propagated the cause of the Kuomintang among the young generation, and eventually become one of the leaders of the Party. Though in recent years, because of his political position, he has lost much of his old tempo and therefore his popularity, he has still been considered as an oracle by a few of his close followers.

His political career has been a varied and checkered one. Suffice it to say that during the past quarter of a century, his name has always been connected with every major political upheaval. His present ascendancy to political power dates a few months after the Japanese invasion of Manchuria. Right after the fateful night of Sept. 18, 1931, a peace and unification movement was on foot, and Mr. Wang came to Shanghai as one of the delegates of the Canton faction. While the peace conference failed to compromise the differences between the Nanking and Conton factions, he was eventually won over by the Nanking government and has become the president of the Executive Yuan ever since the short-lived Cantonese regime headed by Sun Fo.

In his writings and speeches, he has always advocated the policy of resistance vis-a-vis Japanese invasion. Because of his dissatisfaction with the policy of non-resistance, he resigned from his high government office last August in order to force Marshal Chang Hsueh-liang to resign also, so as to "save Jehol from following on the footsteps of Manchuria." Finally, as a means to pull himself out of this very delicate situation, he sailed for Germany on the pretense of recuperating his health, and did not return home until last April. Only after much persuasion, he consented to play his political role once again.

Wang Still Has Faith

With the resumption of his office, it has been expected that Mr. Wang would formulate a new policy to cope with the present crisis. In his recent article entitled "Why We Resist," the president of the Executive Yuan went to a great length in explaining the new government policy which was defined as one of armed resistance coupled with diplomatic efforts. In supporting this new policy, he stated, "It is only because we are not in a position to declare war upon our enemy that we have resorted to the policy of armed resistance. Also it is because we can not honorably make peace with the enemy that we believe it to be a matter of expediency to continue our diplomatic efforts."

It is inspiring to note that Mr. Wang, in spite of the ridiculous show of the Chinese defenders at Jehol, has not yet lost faith in the policy of resistance. Right after the Shanghai War last year, the brave deeds of the 19th Route Army so buoyed up the hope of Chinese people that it was the consensus of opinion that China salvation lay in resistance. This strong faith in resistance has been gradually given way after the Jehol fiasco, and now it is an open secret that many of our people are in favor of direct negotiations with the Japanese to liquidate the Sino-Japanese complications.

While we are fully in agreement with Mr. Wang's principle, we, however, can hardly accept many of his statements without a grain of salt. While he acknowledged that "Effective resistance can not be achieved by words but only by deeds," and deplored China's "economical unpreparedness and military weakness," he omitted to mention a very essential condition without which no effective resistance can be put up. So long as the country is as divided as ever, intrigues are carried on among the different political camps, and soldiers are maintained for personal use, it will be futile to talk about resistance, although we are economically prepared and militarily strong. The trouble with the present government in up-holding a policy of resistance lies not in "economical unpreparedness and military weakness," but in the inability on the part of the government to marshall all available soldiers to meet the enemy.

Effective resistance can only be offered by a united country. Although an individual military leader may be prepared to sacrifice his life and those of his soldiers in meeting the enemy, their individual sacrifice can not stem the tide of Japanese invasion. Mr. Wang could not overlook this situation, but possibly he was restrained by political considerations from talking plainly.

He must be praised for his outspokenness in renunciating the practice of disseminating fabricated war news, when he said, "The customary campaign of war propaganda of 'victories,' 'tactical withdrawals' and 'changes of strategy,' when facts are otherwise, should be immediately stopped." Recently the Chinese public has been fed up with the fabricated war news, and has been acquainted with the tricks of Chinese generals who have intentionally disseminated false news for the sole purpose of soliciting public contributions.

In these darkest hours, Mr. Wang still sees a bright future for China, and is so optimistic as to say, "There is no doubt about the future, because ultimate success is ours." What prompts him to deduce such a conclusion is not explained. Does he think that in the remote future all the friendly Powers will come to assist China in recovering her lost territory? Or, does he believe that through the continuous resistance Japan will have to withdraw from Manchuria and Jehol because her financial condition will not permit her to carry on a prolonged military campaign? As a diviner, he foresees the outcome of the present conflict, but offers no reasons to support his prophecy. Before being informed of his reasoning, we can only conclude that his statement is concocted for domestic consumption with the object of winning the confidence of the people in the government.

While China's Generals Quarrel

With the Japanese forces crossing the Luan River and approaching the Old Capital, his statement, "It is altogether unlikely that we may lose more territories as a result of our determination to resist," will lose much of its force in buoying up the hope of Chinese people. It is tragic enough that with our enemy inside the Wall, our generals have not yet sunk their personal differences, and have still looked upon each other with jealousy and prejudice. Their determination to resist is only a lip service and can not be considered seriously. As long as discord prevails among the military ranks, China's ineffective resistance will be penetrated with ease by the Japanese military machine, and Japan can extend her conquest to such a point as her finance permits.

Continuing, Mr. Wang advised the Chinese people "not to underestimate our strong position in the moral estimation of the world just because of the reason that, in the material sense, this has not been of great advantage to us." But in this curious world, material advantages are all what we count, because the moral victory will not help us in recovering our lost territories. In spite of the world's condemnation of Japan's aggressive actions, the Japanese militarists have not deviated a bit from their previous course. What can the other Powers do in face of Japan's defiance?

Mr. Wang has pinned a great faith on the sanctity of international engagements and agreements, when he said, "The moral obligation of the various countries concerned is such that the partition of any member nation after the fashion of the partition of Poland by Russia, Prussia and Austria is now an impossibility." One wonders whether Mr. Wang means what he says. Japan, the signatory of the Nine-Power Treaty and the Anti-War Pact and until recently the member of the League of Nations, has successfully snatched Manchuria and Jehol from China. If Japan can get away with her spoils, many other countries who have cherished the same ambition may also follow the Japanese example. Thus Great Britain may seize Tibet; France may occupy Yunnan and Kwangsi; and Japan may go one step further in taking Shantung and Fukien. By all means, Japan's present action marks only the beginning not the end of an era in which we may still witness the partitioning of this Middle Kingdom if the Powers concerned can agree on their respective spoils. In a word, in order to maintain our national existence, we cannot depend upon international engagements and agreements, but we must stand up as a man to defend ourselves.

Finally he said, "We have fixed for ourselves, compatible with national honor, a minimum limit which we shall not hesistate to come to an understanding." What is this minimum limit is totally kept to himself. His repeated assurance of upholding our national honor, when the country has been heaped with humiliations upon

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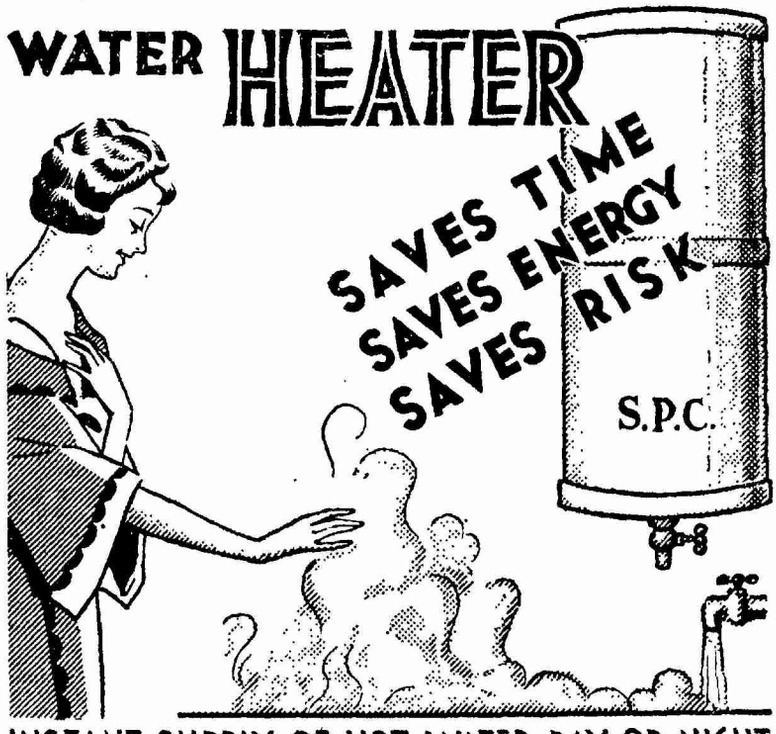

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humiliations, can not carry much meaning to the Chinese people.

In comparison with his usual writings, the article in question is in want of eloquence and outspokenness. Many of his statements are couched in such terms, the meaning of which is vague and incomprehensible. He strives by means of his pen to justify the present government policy, and to win back the lost confidence of the people, but he is too cautious to discuss the situation in its true light.

Shanghai, May 19, 1933.

Pekin Syndicate Workers on Strike—Two Are Killed

The workers of the Pekin Syndicate at Chaotso, in Honan, last week declared a general strike as a protest against the payment of their wages in coppers instead of in silver dollars. The workers charged that the Company could make forty coppers profit out of every dollar in the exchange.

Two workers were killed and sixteen injured as the result of shooting by the Pekin Syndicate police force when the workers gathered before the office of the manager, a British subject, demanding an increase in their wages. The incident occurred May 15, when about four hundred workers declared a strike. They gathered before the office of the manager and requested that their demands be accepted. The manager ordered the police to open fire, which the police instantly did. As a result of the firing two of the workers were killed while sixteen are lying in a critical condition. The chief of the Pekin Syndicate police has been arrested by the local Chinese authorities and is being held for examination.

America Tightens Up Regulations on Packing of Chinese Products

On and after July 1, 1933, most of the plant products used by merchants in China in packing commodities exported to the United States will be prohibited on the ground that they are usually carriers of insects and plant diseases detrimental to the agricultural interest in America, according to a recent announcement by Z. T. Kyi, chief of the trade promotion department of the foreign trade bureau of the Ministry of Industry.

An official communication has been received at the foreign trade bureau from the Chinese consulate at Los Angeles concerning the Packing Materials Quarantine Regulations promulgated by the U. S. Department of Agriculture which will be effective July 1.

Rice straw and rice hulls are mentioned in the new quarantine regulations as the most dangerous from the standpoint of pest introduction.

U. S. Forces in China Unaffected by President Roosevelt's Recent Declaration

A recent telegram from Washington mentioned that as the presence of United States soldiers and marines in China is defined by treaty, official quarters at Washington expressed the opinion that they would not, therefore, fall within the prohibition against crossing a frontier, as suggested by President Roosevelt in his recent sweeping declaration, but the question, it was stated, would arise if American units undertook in any way to enlarge the territory they hold, as the Japanese did at the beginning of the present warfare in China.

Whither Drifts the Problem of the South Sea Islands?

(By the Review's Tokyo Correspondent)
(Translations from various Japanese publications)

ONE of the most important questions which engages the attention not only of the Japanese but also nations interested in Pacific affairs is the future of the South Seas Islands now under Japanese mandate. This question is international in character in that it involves not only Germany and Japan but all the former Allies. Presumably, the readers have sensed from the translations of Japanese publications weekly appearing in this paper that the question under review is rather secondary in importance in so far as its attention value among Japanese is concerned. This, however, is not because it is less grave in nature than other issues caused by Japan's secession from the League but because it is overshadowed by the deafening talks of economic blockade.

The issue flamed up in Japan toward the end of last year and has ever since been made an editorial topic in the daily newspapers. Heated discussions are now being exchanged among scholars such as Dr. Tate and Royama of the Tokyo Imperial University, Dr. Taoka and Dr. Ninakowa respectively of North Eastern Imperial University and Komazama University.

The South Seas Islands under Japanese Mandate

(Information Supplied by Review Correspondent)

The geographical and topographical features:—The islands consist of over 1,400 islands mostly of coral reefs and volcanic rocks covering 480 square miles. They are sectioned into three groups, namely, the Mariana, Marshall and Carolines. They are situated at a distance of 2,700 miles from east to west and 1,300 miles from north to south with Hawaii, Philippines and Celebes to the east and west and Bonin and New Guinea to the north and south respectively, the Bonin Islands forming the stepping stones from Tokyo to the South Seas. Among these innumerable small islands only the island of Guam of the Mariana Archiperago belongs to the United States. Each island is so small in area that the premier islands nearly reach 140 square miles; indeed, the whole territory is like foams scattered on the vast expanse of water.

Occupation by Japan and establishment of the Government.—Following the severance of diplomatic relations with Germany the Japanese navy occupied in October, 1914, the German South Seas Islands and established a military government. In December of the following year the military headquarters was placed at the island of Truk and the entire territory was divided into six administrative districts, each of which was governed by the garrison commander stationed there. Later in June, 1918, subsequent to the issue of the Imperial ordinance regarding the system of official organization, the Civil administration Department was created under the command of the Special South Seas Defence Corps. Hereupon the military system of government was replaced by civil administration; hence civil officials took over the business entrusted with the Garrison Commander. Following the conclusion of the Peace Treaty in January, 1920, the entire islands were placed under Japanese mandate. Subsequently, realizing the need for effecting fundamental renovation in the administration, the Japanese Government, by withdrawing the troops, established the present South Seas Government in April, 1922.

Population.—According to the census taken on April 1, 1932, the total population of the mandated territory reaches 75,900, of which 50,045 represent natives; 25,766 Japanese; 98 are from countries other than Japan.

Other characteristic features.—The mooring places are all made up of coral reefs, and the long distance between vessels lying at anchor and landing place is covered also by reefs, which fact not only handicaps the healthful growth of the ports but makes it impossible to let in vessels larger than 3,000 tons. No fortification is allowed. No industry thrives except sugar refinery, cocoanut palm cultivation and phosphate mining.

Japanese Navy Assumes Firm Stand

(Tokyo Nichi Nichi, March 25)

The status of Japan's mandated islands in the South Seas is the same as that of Taiwan and Karafuto and hence any talk about their restitution either to their former owner or to the League's Mandate Commission is meaningless, declared the Japanese Navy in response to the German statement.

The Navy holds that the mandated islands belonged to Germay before the World War, but that they were seized by Japan soon after she declared war against the Central Powers. Subsequently, an understanding was reached between the British and the Japanese Governments that upon the termination of the war, Japan would have entire claim upon these islands.

Then the United States entered the war, and, at the termination, the Peace Conference. President Wilson in the conference opposed the division of the German colonies among the Allied nations as imperialistic. This led to a compromise between the United States and the rest of the Allied nations.

The alternative arrangement agreed upon was that instead of the German colonies being directly divided among the nations, they were taken over by the "Big Five" viz. America, Britain, France, Italy and Japan, and were divided among them in the form of a mandate on behalf of the League of Nations. It was thus that Japan assumed control of the Marshall and Caroline islands.

At the time this agreement was reached (May 7, 1919) the League of Nations was not yet in existence; it is evident accordingly that it was not the League which allocated the mandate to Japan.

This fact has been acknowledged by the League itself. It is clearly stated in the report submitted to the Council by Mr. Hymans in 1930 that the League is not directly concerned with the disposition of the former German colonies. Again in the reply which the League's Council sent to Washington in March, 1921, it was stated that the question of the colonies was settled by the Supreme Council of Five Powers and that therefore the League is not concerned with it.

The system of the League's mandate, accordingly, is but the name used in order to mitigate the opposition raised against dividing the colonies. Even so warm a supporter of the League as Lord Cecil declared in the British Parliament that the sovereignty over the colonies belongs to the respective mandatory States and these are not known to have ceded it to any other party.

He declared further that the mandatory right, once given, could not be taken away. (Discussion in the House of Lords, February 23, 1927). Lord Balfour, a man who played an importantant role in the settlement of problems arising out of the World War, stated in the course of the League Council's discussion in May, 1922, that the mandatory right is equivalent in substance to the right of the conqueror over the territories which he has conquered.

In the light of these historical facts and important statements, the Japanese Navy is of the opinion that Japan's soverignty over the mandated islands remains intact even if she withdraws from membership in the League. Germany, it thinks, is not at all justified in attempting to revive an issue which has long since been permanently settled.

Germany's Standpoint Clarified

Tokyo Nichi Nichi, March 25:—The *Mainichi* staff correspondent in Berlin learns from authentic quarters that the German proposal is of the following nature:

1. Germany is fully aware of the fact that her former possessions in the Pacific Ocean are of no economic value as a colony.

2. But colonial questions will arise in the immediate future in connection with the Four Power Agreement proposed by British Premier Ramsay MacDonald. The Nazis cannot disregard the questions concerning the mandate islands, especially in view of the fact that the party has hitherto maintained an attitude favoring recovery of the former German possessions.

3. Japan will be unable to return her Mandate Islands to the League of Nations without having her prestige affected, but Japan might be able to take the step of returning these Islands to their former owner as a gesture of friendship.

4. Germany fully understands that these islands are of the utmost strategic value for Japan and therefore Germany would not interfere with the Japanese right as regards her work done at these islands.

5. Cannot Germany and Japan arrive at a compromise whereby Germany could place these islands at the disposal of the Japanese, and Japan, for the sake of formality, return these islands to Germany?

Osaka Mainichi, March 26:—Mr. Rosenberg, who is generally looked upon as the logical successor of the

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Foreign Minister, spoke to the *Osaka Mainichi's* representative to the following effect:

"Since the question is linked with the recovery of other lost colonies and in view of our contemplated negotiations for their restitution, we are going to submit the whole question to the League of Nations. In our negotiations with Japan, our stand is of course based on the general principle for the recovery of our lost possessions. That is what our party has been crying for.

"But Germany fully understands Japan's peculiar interests in these mandated islands. Consequently, we have no desire to carry on negotiations that may prove either impossible or futile. It is with this understanding in view that Germany proposes to negotiate with Japan to seek a solution that will prove satisfactory both for Japan and Germany.

"To tell the truth, we would not be helped much by recovery of the mandate islands as these islands are of little economic value to us.

"If Japan insists on not returning them, however, we cannot help but firmly demand it, even at the stake of Germany's prestige, especially as the issue has a significant bearing on Germany's other colonial problems."

What Will Become of Our South Seas Islands?

(By Dr. Katsuji Inahara, Serupan)

In a corner of the surface of the globe there going on talks on the future of our South Seas Islands. Those who participate in the secret conversations are France, Germany, America and some others. The main topic of the discussions is how to deprive Japan of her mandatory over the islands, but since it is not of the sort of a question to be dealt with in the broad daylight, they are as it were speaking softly together in a corner of a room.

The words mandated territory sound as if it were a thing bestowed by somebody else, but in reality it is only after bloodshed that it was captured. The territory was so called in order to satisfy the Wilsonian superidealism for form's sake and to superficially justify the hypocritic assertion that the Great War differs in nature from other wars recorded in the world history. So the words mandated territory do not represent the fact as it is. Accordingly, the mandated territory ought to be treated as the spoils of war.

Opinions raised in the United States are extremely illogical. On the following ground she attempts to wrest these Japanese possessions into her own hands.

1. Since Japan has withdrawn from the League she must return her South Seas possessions to the League as a matter of course.

2. As one of the Allies the United States has the right to a voice in the problem of the Pacific islands.

Any one who has read about these two items will be surprised at the illogically-studded brains of Americans. Suppose the islands were the possession of the League, how can the United States, which stands outside the organization, find words of intervention? Yet, she insists on having the right of a voice on the ground that she was an Ally. What is more contradictory?

Two weeks prior to Japan's notifying her secession from the League the French Colonial Minister declared that "we hope Germany will promptly join the countries who have overseas colonies." What he had at the bottom of his mind's recesses when he uttered these words no one can tell, yet it is nevertheless surmisable that in so doing, or promising, the Colonial Minister attempted to sustain the idea of vengeance. It is to be wondered if he can succeed in this genious attempt.

Germany's attitude toward the mandated island is different from those of America and France. She is convinced that Japan's withdrawal from the League does not constitute the reason for her restoring the islands into her possession. Even so, she does not remain silent, for she wants one or two islets of the groups returned. This she intends to make a stepping stone toward recovering her former territory in Africa. In this respect she is even willing to make due reparation. Germany's attitude can be said to be more political than otherwise. This political maneuver of Germany is not at all unnatural, judging by the fact that Japan is now stepping outside the French-British group. Who can predict that her humble request to return one or two islets back to her hands is not the first step toward her befriending us, and separating Japan perfectly from the French-British group?

In making such overtures Germany has outstepped the barrier of the Versailles Treaty; all former German overseas possessions having been disposed of in accordance with the stipulations of the treaty, to return part or all

of Japan's possession to Germany means a revision of the Peace Pact. Instead of making a direct appeal she ought to take a tedious round-about way shown by the stipulations of the Peace Treaty. There is no shorter cut.

Our Grip Upon the Mandate Is Firm

(By Rear Admiral Masaji Hibino—Pamphlet delivered by the Tokyo Asahi)

Except for a very narrow-sensed logic the whole world seems to have no objection to our keeping possession of the South Seas Islands. The mandatory issue is comparatively quiet in overseas countries, whereas deafening cries are raised throughout the country. This is unbearable. Germany's former colonies were ceded to the principal Allies by the hands of Germany herself, and subsequently the allied countries allocated them among themselves. This much is an undeniable fact. The fact that the League is not the owner of the mandated territories and that to be a member state of the League does not qualify a nation as mandatory is obvious in the light of the League Covenent and various official documants concerned. When once the League attempted at placing the control of Armenia in the hands of the United States who was a non-member state, Lord Balfour of Great Britain clearly defined that the mandated territory is at once a part of the mandatory Power. As you are all aware the South Seas Islands were captured by our navy during the Great War. In short the islands are spoils of the World War, which were placed under the Emperor's reign upon consultation with other friendly Powers. Accordingly, if there is anyone who plots extorting them from our grip, our step to be taken is quite simple—to reject with power, and that is all. People say that as Manchuria is the lifeline on land, so the South Seas Islands are the Empire's lifeline on the sea. I quite agree with them. But the functions expected of them are not one and the same; the former is an important supplier of the nation's daily necessities and absorber of surplus population, whereas the same is denied the latter, which is so narrow in area and scantily endowed with natural resources. The real merit for which the island group is valued is no other than its geographical situation. Just open the map of the Pacific Ocean and consider the geographical relations of the islets with Japan, America and Australia, and you will be enlightened. With reference to their relations with the Asiatic Continent, it is to be added that in view of the fact that the world's economic lines of vision are riveted on the Continent, the position which the islands occupy in the Pacific contributes greatly to our strict insistence on the maintenance of the principle of equal opportunity of economic development in the Far East. They are, indeed, a national fortune of priceless importance.

Wrong Conception Righted

(By Dr. Shin Ninakawa—Gaiko Jiho)

There are some who maintain that the South Seas Islands were allotted to Japan directly by Japan, France, Britain and Italy in accordance with the Article 119 of the Versailles treaty. But this is a dogma of those who are ignorant of the situation at that time.

The League Covenant is part of the Peace Treaty. Article 25 of the Covenant had been absent until Dr. Wilson took up my suggestion. The Japanese delegates could not make out the reason for the insertion of Article 25 that time. At the end of April the covenant was drawn up and published in the French papers under a big-headline, "League Established." In this way it had already been decided among the Allies' delegates that the German colonies would be taken over by themselves as "League's mandate." Stipulations of Article 22 had been created in this sense.

Some time afterwards Article 119 of the Versailles Treaty saw the light. On the strength of this article the Powers took steps to make Germany abandon her overseas territories—"to abandon" but not "secede" of course. Germany has never seceded her overseas territories to any country. These territories abandoned by Germany did not go into the possession of any Power but were converted to mandated territories in accordance with Article 22. People ought to be perfectly well enlightened on this fact. Those absent from Paris at that time may be ignorant of this state of things.

Naturally, people who maintain that the islands mandated to Japan was allocated directly by the hands of Japan, Britain, Italy and France, misunderstand the actual state of things. Does it not sound strange to say that a tract of land is given to Japan by four countries including Japan herself? Besides, when Japan gives herself a land, to use the word "to mandate" is nonsensical. The Powers' delegates at that time were all clear headed. At the very beginning of the Versailles Treaty there is a clause, "All Treaty Powers adopt this agreement which establishes the League of Nations." With this the League was organized—though it was not until ratified that it took effect. Among the Japanese writers there are those who insist on the League's appearing sometime after the creation of Article 119 of the Versailles Treaty, declaring that it was after 1920 that the League of Nations was initiated. It seems that they are either those who are ignorant of the situation which led to the creation of the League of Nations or who have little knowledge of the Versailles Treaty or else who do not draw a line of demarcation between the League of Nations and the League Secretariate.

Opening of Mackay Trans-Pacific Radio Service Celebrated by Dinner

The formal opening of the second direct line of radio communication across the Pacific Ocean, which took place at 3 a.m. Shanghai time (11 a.m. San Francisco time) was celebrated in Shanghai at a dinner given at the Metropole Hotel May 19 by C. C. Chapman, vice-president of the Mackay Radio and Telegraph Company.

The first message sent from Shanghai across the ocean by the new radio service was one from Chu Chia-hua, Minister of Communications, to Clarence H. Mackay. It read: "I am availing the opening of the Sino-Mackay radio channel to thank you for your greetings and to express the hope that it will be of service to humanity."

A similar message was dispatched by Minister Chu to Colonel Sosthenes Behn, chairman of the board of the International Telephone and Telegraph Company, of which the Mackay Company is a subsidary.

In his message to Minister Chu, Mr. Mackay said: "No agency yet developed by man has been more efficient in creating friendship and understanding among nations than electrical communications and because of this I feel that it is a high honor as well as a great pleasure to greet you on the inauguration of this newest and most modern service of communication."

To Dr. K. L. Yen, director of telegraphs and telephones in the Chinese Ministry of Communications, Mr. Mackay radioed: "On the occasion of the inauguration of this new service of radio communications it is a great pleasure and honor to greet you through this medium. This newest tie between our two countries I am confident will grow in importance in the years to come as the economic and cultural life of China and America continue to grow closer." Mr. Mackay also sent a similar message to Dr. Y. C. Wen, director of the International Bureau of the Ministry of Communications.

Figures Given on British Arms Shipments to the Far-East

The following figures were given at a recent sitting of the House of Commons showing war material covered by British export licences issued for China and Japan during February and March.

February:—20 .303in. rifles, 20,000 .303in. rifle cartridges, 6,000,000 7.92 m.m. rifle cartridges, three bomb racks, three bomb sights, and three gun cameras were sent to China; nothing to Japan.

March:—Armament fittings and equipment for two aircraft, 67,000 13.2 m.m. machine-gun cartridges, 230 000 .303in. machinegun cartridges, and 6,000,000 7.92 m.m. rifle cartridges were issued to China. One aircraft gun mounting, seven sets rounds counter gear for use with machine guns, and 300 7.7 m.m. machine guns with spare parts were issued to Japan.

Chinese Government Modifies "Country of Origin" Marking Regulations

An amendment to the Regulations governing the marking of imported goods was adopted by the Legislative Yuan at Nanking May 19 stipulating that "in case of difficulty, labels in the language of the country of origin may be used to mark the country of origin of the goods." The amendment has been made pursuant to requests from various foreign governments, including the United States, which drew attention to the difficulty of manufacturers in marking their goods in Chinese, as was originally stipulated.

Japan the Godmother

(*China Critic, May 18, 1933*)

JAPAN may be building up a new state, but it is not the interest of the people living in that state, which she has at heart. On the contrary, her actions make it clear that she is directing all her energy to accomplish exactly the opposite. It is a colony of Japan that she has in mind and it is for the benefit of the subjects of the Mikado that she is laying plans for the future. As for the Chinese or rather the citizens of the newly created Manchukuo there is little to indicate that she is much concerned with their welfare even as a godmother.

The most noticeable feature in the "Manchukuo" government is the large number of Japanese personnel in every office and in every undertaking. In the central government in Changchun, or Hsinching as it is now called, it is the Japanese who are in positions of power and authority. In the provincial governments again it is the Japanese who direct the administration. This principle is carried out in banking, railway, mining or any other kind of enterprise. For instance, in the Central Bank there are a little over two hundred officers on the Head office staff, among whom over one hundred seventy are Japanese. Likewise in the Postal Administration one hundred fifty, Japanese occupy the most important positions out of a total of the employed staff of six hundred sixty, including clerks of all ranks. In the railways, the situation is worse. Practically every important officer is a Japanese. When it comes to the matter of remuneration the preferential treatment for Japanese is notorious. Even a Japanese servant is reported as receiving more than a Chinese officer in inferior positions.

But it is in the administration of the country where the real perfidy of the Japanese is observed. Here we would do well to take two illustrations. In the first place, opium has now become a monopoly of the government and its plantation is compulsory. Licensed places for smoking opium are much in evidence in the cities and one-third of the farms are now turned over to the growth of poppies. In the second place, education is under the strict supervision of the Japanese. All references to China are changed to indicate a foreign enemy and all references to Japan are changed to read the benevolent neighbor or the neighborly Power. Furthermore, only schools of vocational nature are revived. The instructions in the schools are so closely supervised by the Japanese officials in the government that those who go through the course will become virtually Japanese subjects. Besides such steps in the schools free instruction in the Japanese language is offered in many places. The instructors of Japanese are able to assure their pupils of positions after they complete the course and prove proficient in the language. Such are the methods used to Japanize the people and it is only a matter of time before the new state is expected to become an annex to the Japanese Empire!

The most tragic report we hear, however, is the fact that there is no law or justice for the Chinese living in the country. The Japanese are entitled to have anything for the asking. There is no recourse for those who are thus deprived of their possessions. For this reason the Chinese never make known their disputes with the Japanese. A parallel of such a situation is not found to our knowledge in modern history. If such is the ideal state which Japan is founding, God save the land!

The Japanese, it may be pertinently pointed out, are past masters of showmanship. Not only in Manchuria but also in Japan the casual traveller is denied the opportunity of prying deeper than the surface of things. Despite the prevalent depression many a visitor to Tokyo is more likely than not to be impressed with its apparent prosperity, and the same is doubtless true of Manchuria. When one recalls the painstaking effort Japan made to capture the hearts of the members of the Lytton commission, one can readily realise the same amount of effort being exerted every day to catch the unwary correspondent, or tourist that chances to enter the portals of Manchukuo.

Korean Leader Arrested in Shanghai

Kuo Hsien, a naturalized Chinese Korean, who is an important figure in the Korean independence movement, was arrested by the Japanese consular police on May 17 in Shanghai while he was leaving a Korean restaurant. Mr. Kuo is detained at the Japanese Consulate where he is awaiting trial. The Chinese press says Mr. Kuo became a Chinese citizen in 1927 and has four children who are all in Shanghai.

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Could America's "Third-Rate" Navy Fight Japan?

BY F. D. McHUGH

(Scientific American, May 1933)

JAPAN'S War Party, powerful and supreme in Japan, challenges the world. By its activities since September, 1931, it has not only endangered international good will and friendships but has threatened the peace of the world as nothing else has done since the World War. With the assurance that other nations are too disturbed with internal troubles—most of which arise from the depression—to take steps against Japan even if they desired to do so, this mighty party has carried the flag of Japan into the northeastern provinces of China, has practically annexed much territory, and has defied the nations of the world both in and out of the League of Nations.

It should not be necessary to explain the connection between the aims of the Japanese militarists on the one hand and our Navy on the other, but it so happens that there are in this country many idealists whose vision in respect to the danger of war is myopic. These people believe altruistic gestures more important than a show of power to preserve peace throughout the world; that an emotional desire for peace assures it in perpetuity; that disarmament, by agreement, will make future international combats impossible by rendering nations incapable of waging wars. The wish of these people is father to their opinion that wars *are* a thing of the past.

It must, therefore, be explained that, in the opinion of competent observers, the United States was on the verge of war with Japan last year! It so happened that our fleet was concentrated in the Pacific for maneuvers early in January, 1932, or, according to widely expressed opinion, the Japanese would never have retired from the shambles of Shanghai, and war with Japan might not have been avoided. As it was, at one time during the Japanese offensive at Shanghai, Japan came so near declaring war on the United States that it seemed but a matter of hours until the fateful declaration would be made. Since that time the information has leaked out through several reliable sources that our government had issued orders to military services to "stand by for mobilization"! To arrive at the reason for this, it is necessary to look backward a bit and see how we are concerned in the policies of Asia and the Pacific; how, during the present Japanese excursion into China, international efforts for peaceful conciliation have failed miserably; and how Japan has repudiated important treaties.

American Idealism

Two of these treaties—the Nine-Power Treaty which guaranteed the territorial and administrative integrity of China, and the Pact of Paris—meant a few years ago a great deal to the theoretical permanent peace of the world. When these were signed, the nations of the world had faith in Japan's good intentions. Both were primarily the product of American idealism and were considered important steps toward perpetual peace. Japan had been accepted into the family of civilized nations not so many years before as an admired, progressive, and enlightened brother and, since that acceptance, has been accorded all rights and privileges to which that station entitled her. She joined the League of Nations and here, too, her sincerity was not questioned.

What has happened? Japan has taken a huge slice of another country at a terrific cost in lives and property, defied the League, and shocked the world generally by her war-like attitude. Marching arrogantly into the Manchurian provinces of China, she took, in 1931, absolute charge of three of them which she claims have *voluntarily* declared themselves independent of China as the state of "Manchukuo" but which she actually rules through *advisers* and will surely absorb as she did Korea some years ago—unless something unforeseen happens. Last year she attempted to strike at the heart of China through Shanghai, and already this year has taken another important port, Shanhaikwan. She has just extended her war of conquest into Jehol and conquered it so that this fourth province of old Manchuria can "of its own free will and accord" declare itself free from China proper. Japanese militarists say that Jehol is a part of "Manchukuo," which they further claim is not an integral part of China despite the fact that Japan fought Russia in 1904 to prove that it was.

What is behind it all? Japan feels that she had provocation. She claims her warfare in China, with its ghastly toll in lives and property, was necessary to protect her investments and enterprises against the war lords. She says she had to stop the sporadic civil wars that threatened her interests. She says, further, that she had to have a buffer against Soviet Russia, against Bolshevism. Having had a taste, early in the century, of Imperial Russia's desire to dominate Asia, Japan knows Soviet Russia is even greedier. One thing more: Since Japan is one of the most densely populated countries of the world and her nationals are excluded from most of the countries to which they would be drawn as immigrants, she actually needs some outlet for her surplus population, or a national birth-control policy.

Suppose Japan did have legitimate grounds for complaint against China? Both these countries were members of the League of Nations (Japan has recently withdrawn) and both signed the Kellogg Peace Pact. Japan was, therefore, committed to the council chamber method of smoothing out difficulties. Why did she not lay her grievances before the nations of the world—nations that had accepted her as one of them and would have been as sympathetic as the facts warranted? This the militarists did not do. They took matters into their own hands in September, 1931, and marched into Manchuria, claiming as immediate provocation the destruction of about a four-foot section of the main line of the Japanese-owned South Manchurian Railway.

As a matter of fact, Japan's immediate provocation was and is still to be found within her own Empire. Revolutionary movements of several kinds: Communist, Fascist, and Nationalist—the praiseworthy desire of the people to set up a government of their own—have kept her in a turmoil for years. To quiet these and prevent a revolution, Japan simply heeded the old maxim that to unify dissenting elements of a nation there is no more powerful means than that of starting a patriotic foreign war. Further, Japan is and always has been an opportunist as western nations have been in the past. In 1915 when Europe was at war and China, therefore, was helpless, Japan attempted to force upon China the Twenty-One Demands which would have made of the latter a vassal state. Japanese statesmen at the time said that this was "the opportunity of a century." Seeing now the deplorably weak condition of other interested nations, due to the world-wide depression, she knew that nothing but diplomatic notes would result from any action that she might take. So far, this turns out to be the case, although she was censured by the Lytton Report and her Manchurian adventure has recently been condemned by the League of Nations as wholly unjustifiable. (Unable to have its way entirely, the military government has answered this condemnation by resignation from the League.)

Trade and Commerce

The problem goes much further back than this, however, to the question of trade and commerce. Civilization follows trade. Progress and culture have throughout the ages followed the caravans and ships of traders, the interchange of raw and manufactured products, and the many wars that have been fought to gain the right to a free interchange of products or, sometimes, to gain preferential treatment. In this, a nation's navy is not, as some people will contend, a weapon with which to win battles in war but primarily a peace-time tool which, to the extent that it is manifestly powerful enough to command respect for the international policies of a nation, assures to that nation the right to trade peaceably with all peoples. It so happens in our case that prosperity depends largely on the margin of profit allowed us by our foreign trade.

The interest of the United States in the Far East dates back to 1833 when we made a commercial treaty with Siam, not for a selfish motive but simply to be put on an equal footing with other nations. Then early in the Forties, our Navy, by a show of force, opened up China to the trade of this country by obtaining trade concessions for us at a time when the British were seeking special privileges. Our "Open Door Doctrine" which proposed equal opportunity for all and preference for none, grew out of this initial service to the China trade by our Navy. In 1853-54, our Navy again served

the trade interests of the western nations by opening up Japan. Our Civil War intervened and, following this, we were so busy developing our west that we neglected the Pacific entirely until we acquired the Philippines in 1898. During this time, Great Britain, France, and Russia, ignoring our Open Door Doctrine, bitterly fought for special privileges in China. In 1894, Japan won its modern war with China. This Japanese victory stimulated the efforts of European powers to dismember China, the last great "backward" independent section of the world.

When the Philippines fell to us after the Spanish-American War, the British, finding themselves forced to divide their attention because of developments elsewhere in the Empire and yet desiring to maintain the balance of power in the Orient, undertook to awaken our interest in the Pacific and Asia. We obtained, in 1900, agreement of the interested European powers and of Japan to our old Open Door Doctrine. Despite this supposed elimination of preferential opportunities, the Anglo-Japanese Alliance was formed in 1902, and the Russo-Japanese War was the result. This war was a flagrant violation of our Open Door Doctrine but to this fact we closed our eyes as we did when Japan later absorbed Korea. We were content to forward diplomatic notes of protest in these cases but were not even disturbed to this extent when Japan took Formosa on the south and the Kurile Islands on the north to Kamchatka, thus completing her insular barrier to the continent of Asia.

These extensions of territory were made in furtherance of Japan's aggressive Maritime and Territorial Plans which, according to authorities, have been purposefully developed over a long period of years by War Party strategists. The former plan contemplates the ultimate domination by Japan of all the islands in the Pacific north of the Equator, including the Philippines—an American possession. William Howard Gardiner, President of the Navy League of the United States, is authority for the statement that about 1914, there hung in the Tokyo Museum a map showing "*all* of these islands" (above the Equator) "—and even California—as within the prospective Japanese realm."

The Territorial Plan envisioned the addition to the Japanese Empire of vast sections of Asia. By a slow but thorough impenetration, Japan planned to take Manchuria, pass westward into Mongolia, and thence southward through Tibet in a China-encircling movement down to the very borders of India. Complete subjugation of China would follow easily, and it is possible that Japan's control might also encompass India itself. Indeed, together, the Maritime and Territorial Plans proposed the attainment of Japanese domination over the entire Pacific and over Asia. The ultimate result would be Japanese dictation of American policies in that Japan would strictly limit our commerce and trade in the Pacific, with Asia, even through our own Panama Canal, and perhaps with South America. It must here be noted that in normal times our trade in the Pacific and with the Orient exceeds the staggering sum of 2,000,000,000 dollars. To lose that might precipitate national bankruptcy.

The Importance of the Philippines

Admiral Mahan (famous the world over as a naval authority) said, in effect, some 30 years ago that if we do not keep the Philippines, we shall need a navy four times the strength of Japan's in order to preserve peace in the Pacific. Form and substance are given to this assertion by the facts that, prior to our acquisition of these islands, Japan was encouraging the Philippine party that was then agitating for independence from Spain; that during the intervening years Japan has given every support possible to the movement for Philippine independence from the United States; and that, when our Congress recently passed the abortive independence bill, the Japanese were the first to congratulate the islands. Why? Simply because the Philippines represent an important and rich acquisition for Japan in her program for obtaining hegemony of the Pacific. The opinion has been widely voiced recently that "the moment the United States flag is lowered in the Philippines, that of Japan will go up!"

Admiral Mahan might well have said that our responsibility in the Pacific, as a benevolent and unselfish protector of international rights, is second to that of no other civilized nation in the world. We desire no extensions of territory or political control in that region; we are interested solely in seeing that every nation is given the right to live, and in our Open Door Doctrine of equal

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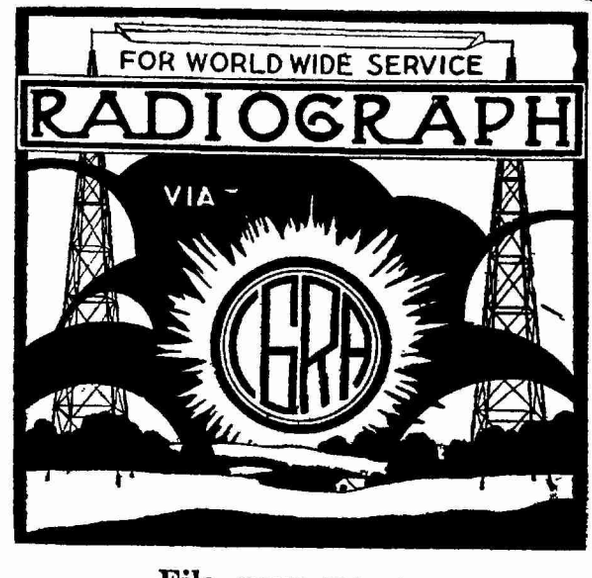

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Great Britain is no longer capable of exercising more than a moral defense against the aggrandizement of the Japanese War Party. She admits that her formerly strategic ports of Singapore and Hongkong are held "on the sufferance of Japan," and therefore she is at the mercy of Japan in the Orient. The Netherlands, with vast insular possessions in the East Indies, is impotent. France, with her Indo-China at the very door of Japan, is bound to her by the Franco-Japanese agreement of 1907 whereby the two powers guarantee mutual aid to assure security and peace in those regions of the Far East in which France and Japan have "territorial rights." Recently a French Government spokesman announced in the Chamber of Deputies that this agreement is still effective.

Prior to the World War, Great Britain found it necessary, in view of Germany's competitive naval construction and the European war which statesmen saw was inevitable, to withdraw the greatest proportion of her naval forces from all parts of the Empire and hold them in concentration near home waters. Since the war, conditions throughout the world have continued in such a turgid state that the British could not now dispatch quickly to the Orient a fleet sufficiently powerful to escape utter defeat in a short time. The responsibility thus devolves upon us, not only as a nation with Asiatic interests but as one whose prosperity and future progress depend upon an ever-increasing volume of maritime commerce, to build up our Navy to the point where we can protect our own foreign possessions, our Asiatic trade, and the lines of sea communication so essential to both. Our police duties in the Pacific are so great that, should other nations go to war in that section of the world, we would quickly become participants if our Navy were not strong enough to protect our commerce against the raids of the belligerents. America's experience during the World War definitely proves this!

Our Navy at present is not equal to the task. Proportionately, it is growing weaker and weaker—as we shall see later—and so far as naval bases from which a defensive fleet might operate in wartime are concerned, we were emasculated by the Washington Conference for the Limitation of Armaments. In return for the Japanese agreement to sign, we agreed not to fortify any of our insular possessions that were not already fortified by the end of the conference. That agreement left us in possession of only one fort, Corregidor, at the entrance of Manila Bay, while the remainder of the Philippines, Guam, Samoa, Midway Island, the Aleutians, and some smaller islands are at the mercy of anyone who might care to take them.

Corregidor—the Only Fort

Corregidor is a powerful fort but, in the event of war with Japan, unless our fleet could make the 3500-mile trip from our nearest waters—Hawaii—and base there before the Japanese could send their fleet down in force—a mere thousand miles from Japan—it is doubtful whether Corregidor could hold out long. Munitions and supplies would have to be brought in, and this would be impossible if our sea lines of communication were closed by the enemy. Corregidor having fallen, we would have no base of any kind west of Hawaii in which our ships could refit after the long transpacific voyage, and we could not, therefore, decisively conclude the war in our favor. It would be easy for Japan also to cut off our supply of several products vital to us in wartime —such as rubber, for example—by an easily maintained blockade of our source of supply in the East Indies or by destroying our merchant ships in that part of the Pacific. As for our Pacific possessions—remember the speedy fate of Germany's colonies at the outbreak of the World War! And the Panama Canal, so vital to the movement not only of warships but of merchant ships necessary to our national existence—one well-aimed blow by Japanese secret agents would put this out of commission before we could realize war had begun!

Japan, recently accused of fortifying the former German Pacific islands, which she has no right to do under her Mandate from the League of Nations, has denied that she is doing so. She is "improving harbor facilities," she says. But Japan has shown her expertness in concocting excuses and denials. The "improved harbor facilities" will be adequate for submarine and air operations! Having withdrawn from the League, she now claims full title to all these islands, and it is difficult to see how anyone can gainsay her.

Americans fatuously believe that the Washington Conference was conceived by American diplomacy. That Conference was intended to promote international understanding, prevent competitive naval building, and prevent fear, but the invitations to it sent out by us, were the result of outside influences. Our idealism thus cost us the dominant position as a naval power, and a correspondingly persuasive voice in international issues. When the Conferenece was called, the naval ratio of the three powers with which we are concerned was approximately: United States 6, Great Britain 5, and Japan 3. We came out of the Conference minus the right to fortify our Pacific possessions and with a ratio of 5 to Great Britain's 5 and Japan's 3 in capital ships. This agreement meant the scrapping of much American tonnage. But instead of scrapping vessels rapidly growing obsolescent, we junked nine powerful ships on which we had already spent several hundreds of millions of dollars and which were practically complete. These nine had been designed primarily for Pacific duty; the ones we kept are, besides being old, scarcely adequate for that purpose.

After the Washington Conference we sat back with smug self-satisfaction and planned very little tonnage in categories not limited by the Conference. Britain and Japan, however, steadily built submarines, destroyers, and cruisers. In 1927, President Coolidge having been finally convinced of the Navy's needs, signed a bill authorizing construction of 15 eight-inch gun cruisers. This was helpful but still not enough.

In the spring of 1930, the London Conference was called to consider limitation of categories not previously limited. Japan had built so purposefully—and we had buit so little—that she was able at that Conference to demand, *and get*, a higher ratio in cruisers and destroyers, and parity with Great Britain and the United States in submarines.

Goal of the Japanese War Party

In forcing its demands at the London Conference, the Japanese War Party once again showed its colors. That Party has set its eyes on one goal—the absolute domination of the western Pacific—and apparently nothing short of a war with the great powers can prevent this result. Our show of force in the Pacific last year may have caused hesitation at Shanghai, but the time is rapidly approaching when the military masters of Japan will have more confidence in their power than they then had. When that time arrives, a war which will inevitably be a world war on a grand scale, will decimate millions upon millions of people.

Our duty is therefore clear—and it is a duty not only to ourselves but to world peace; we must prevent that war! To do this, it is necessary that we initiate a naval building program that is both far-sighted and large enough to quench the flame that is spreading through the Orient. We must adopt "fierce-face" tactics —the only kind which Japan seems to understand. If we do not, Japan will dictate the terms of whatever further agreement may be made as to the limitation of armaments after the London agreement runs out in 1936; and most assuredly those terms will render Japan supreme!

So far, we have supinely ignored our obligations. As the situation stands at present, an American war with Japan would be long-drawn out, extremely costly, and indecisive. Our lack of naval bases in the western Pacific and Japan's proximity both to numerous bases and to our possessions and the possessions of others, our very long and exposed line of communications for both munitions and supplies, and our relatively weak Navy could lead to no other result. At present, our combat strength on the water—vessels afloat and in condition for immediate service—is below that of both Great Britain and Japan. If war should be forced upon us, we would be faced with the necessity for a period of feverish naval construction. Should our present force be able to defend us for 18 months, we would after that time possess sufficient naval strength to sway the war in our favor. Our tremendous power of organization and manufacture would then enable us to produce war material so rapidly that we need fear no nation. It must be emphasized, however, that because we are in no position right now to fight a first-class naval power, we might be vanquished before the 18 months' preparation could be completed, and that, in any case, there would be a needless slaughter of men, to say nothing of the enormous cost in money.

Without confusing ourselves with detailed statistics, it may be noted that while the authorized treaty strength

over-all for the United States, Great Britain, and Japan is 10 to 10.1 to 6.4 respectively, Japan and Great Britain have built toward that treaty strength so much more than we have that at the end of the London Treaty on December 31, 1936, the radio will be: Great Britain 13.2, Japan 12, and the United States 10 (under-age tonnage of all types of combatant auxiliaries, built, building, and appropriated for as of January 1, 1933). And a large percentage of the combat ships on our list will be very near obsolescence! This is indeed a poor showing for a nation which, in 1922, believed it could disarm the world by agreement and by example. The example did not work and we ignore the agreements we have made.

We repeat: Our duty is clear. It is realized that, for reasons of economy, little can be spent upon naval building at present. A far-sighted plan, however, would stretch the cost over such a period of years that the annual cost would be insignificant compared with the security and commerce protection a planned treaty navy would afford, even though that treaty navy might never be actually completed. Furthermore, as we have said in previous articles, since 80 to 90 percent of the cost of constructing a naval vessel goes for labor in numerous industries all over the country, there could be no more important way of putting thousands of our unemployed to work. National security *is* more important than highways or public buildings!

National security! We who have experienced the realities and horrors of modern war know the importance of that term. We do *not* want another war, but we face facts squarely. If the militarists of Japan—or of any other nation, for that matter—want to force war upon us, the strength of our Navy must be such as to discourage all actual attempts to do so!

Alaskan Urges Congress to Construct U.S.-to-Asia Submarine Highway

Future possibility of an America-to-Asia highway, passing under the Bering Strait, was envisioned by the new Alaskan delegate, Anthony J. Dimond, in his first address to Congress recently.

Appealing for the early construction of an international highway from the United States through the Dominion of Canada to Alaska, he reviewed past agitation for a railway to Siberia, and commented, "it is not to be forgotten that the international highway and airway contemplates the ultimate development of a world's highway."

The immediate proposal of delegate Dimond was confined to the North American part of the highway, connecting the State of Washington with the Yukon Valley. Estimated cost of this project, he said, is $14,000,000. Over half of its total length of 2,000 miles already is built. Of the remainder, the greater mileage would be in British Columbia and the Yukon territory.

Chapei Traitor Sentenced to Death by Nanking Supreme Court

Hu Li-fu, self-confessed "Chairman of the Peace Preservation Association" in Chapei during the Japanese occupation last year, was sentenced to death by the Supreme Court at Nanking May 18 in a judgment rendered pursuant to an appeal made by the procurator of the Kiangsu High Court. Hu was found guilty by the High Court of aiding and abetting the enemy and was sentenced to life imprisonment.

The Supreme Court upheld the original decision and increased the sentence to the death penalty.

German Minister Refuses to Accept Civil Rights Protest

The German Minister to China, Dr. Trautmann, May 19 returned to Mrs. Sun Yat-sen the letter of protest from the China League for Civil Rights at Shanghai against the alleged reign of terror prevailing in Germany. The Minister stated that the protest of the League is based upon false or very exaggerated news and that in reality there has been no reign of terror or "pogrom" in Germany.

Japanese Navy Prepares for Grand Maneuvers

The annual grand maneuvers of the Japanese Navy will take place in the waters south of the mainland of Japan between June and August, it was informally announced by the Navy Office in Tokyo May 17. The maneuvers will be closely followed by a grand naval review which will take place off Yokohama on August 25.

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Fight Against "Reds" in Kiangsi Continues

An official communique on bandit-suppression developments in Kiangsi was issued by the Commander-in-Chief's Headquarters in Nanchang May 20. It was stated that the "Reds" under Chu Te and Mao Tse-tung were retreating southwards. Their base hospital has been removed from Tengtien to Ningtu, southern Kiangsi. The "Red" military transportation depot at Chaoyen, central Kiangsi, had been destroyed by Government airplanes. In the southern route, the 6th and 78th Divisions under Lieut.-Generals Shen Kwang-han and Chu Shou-nien (attached to the left wing Bandit-suppression Forces under General Tsai Ting-kai) were approaching Tingchow, the "Red" stronghold in western Fukien. The outlaws had escaped to Shihcheng and Kwangchang, southeastern Kiangsi to effect junction with those at Lichuan and Ihuang, eastern Kiangsi.

Government airplanes are continuing their daily raids on the Red forces in the Nanchang area, and as a result many Communist units are coming over to the Government forces with their arms.

Communists Defeated in West Fukien

The communists in West Fukien were dispersed as a result of the joint suppression campaign of the Cantonese independent division and the 19th Route Army, who directed a drive from the Shanghang and Wuping counties. The Reds are cut off from supplies. Many of them concentrated at Tingchow causing food prices there to soar sky-high.

A Nanchang message May 18 stated that General Chen had finally decided to send an expeditionary army to Kiangsi to assist the Government forces in the suppression of the Communists. It was said that six divisions and one independent brigade would be sent from Kwangtung while two divisions will be sent from Kwangsi.

Communists Invade Eastern Hunan

According to a special telegram from Shaokwan, in northern Kwangtung, a detachment of several thousand Communists have succeeded in penetrating into eastern Hunan and are menacing that part of the province. The Communists are reported to have captured Juchen on May 19 while a separate detachment of the Commuuists are heading their way towards Jenhua, on the Kwangtung border.

In Hunan the Communists recently made a fruitless attempt to recapture Lienhua, in eastern Hunan, from the Hunan provincial forces under General Chen Kwangchung. According to military reports the Communists in Kiangsi are now trying to move all their troops from Kiangsi to Hunan in order to get away from the Government troops.

Civil War Proceeds Apace in Szechuen

In a recent telegram to Generalof Liu Hsiang, Commander of the 21st Army and concurrently Rehabilitation Commissioner for Szechuen, General Chiang Kai-shek entrusted him with full responsibility to secure the cessation of hostilities between the 24th Army under General Liu Wen-hui and the 28th Army under General Teng Hsi-hou.

Fighting between the troops under Generals Liu Wenhuei and Teng Hsi-hou is in full swing, with the situation rapidly developing in favor of the former. The fighting has been centered at Chungning and Kwanhsien, where General Teng's troops had destroyed a part of the dykes of the Hsi Ho River to prevent General Liu's forces from crossing the river.

General Tien Sung-yao, the Commander in charge of the Communist suppression campaign in North Szechuen, has become involved in the new civil war in the province in spite of the activities of the Communists on the Shensi-Szechuen border. It is learned that General Tien has already despatched two divisions of his troops to assist General Teng Hsi-hou's forces at Hsintu.

After several days of continued fighting General Liu Wen-huei's troops have been unable to capture Chungning. On May 17 General Liu ordered two additional brigades to join in the attack. They completely surrounded the city on all sides. In an effort to compel the defenders to give up resistance General Liu ordered the buildings in the outskirts of the city to be completely destroyed by fire. In the conflagration 3000 buildings were razed to the ground. The destruction of these buildings made no impression on the defenders, who held the city in spite of heavy losses.

The Effect at Peace in Sinkiang

An advance party of the staff of the Sinkiang Pacification Commissioner left Nanking for Sinkiang, by airplane May 20. 3,000 copies of the Government's orders and proclamations regarding the situation in that province were entrusted to the party, which consists of Lieut. General Kao Chang-chu and Ai Sha, Staff Officer and A. D. C. respectively of General Huang Mu-sung, Pacification Commissioner for Sinkiang.

Large Scale Fight Expected on Charhar Front

Fierce large scale fighting is expected to be staged on the Charhar front shortly, according to an official message from Dolonor. It was stated that a large force of the Manchukuo Army under General Liu Kwei-tang, combined with the armies under Generals Li Shou-shan and Wang Yung-chin, is now concentrated at Dolonor, ready for a southward drive, and that the army is in high spirits.

On the other hand, over 10,000 Chinese troops under General Sun Tien-ying and some 2,000 under General Tuan Tzu-hsin are at Chihcheng, besides General Fu Tso-yi's 10,000 at Kalgan as a rearguard and some 20,000 at Kuyuan as the advance guard.

General Feng Chan-hai, commander of the Chinese Volunteers in Charhar, arrived in Peiping from Kuyuan May 17 and made a report to General Ho Ying-ching.

Fighting Resumed on Tibetan Border

Fighting broken out again last week on the Sikang-Tibet frontier as a result of the advance of Tibetan troops against Sikang. The Tibetans on the frontier have recently considerably increased.

The Provisional Government of Sinkiang May 14 issued a circular telegram to the country announcing that, in reference to the principle laid down by Dr. Sun for separate control of the civil and military administrations, the province has elected Liu Wen lung, Educational in Sinkiang, as Acting Chairman and Shen Shih-tsai, commander of bandit suppression, as Acting Commander of the Sinkiang Border Defence. The Government was requested to confirm the appointments of these two persons.

Japanese Suggest that Indians Send Own Representative to Trade Parleys

Mr. Miyake, Japanese Consul in Calcutta, is quoted in a *Dempo Tsushin* message as saying that a new trade treaty between Japan and India will shortly be concluded. If India gives up the imposition of prohibitive duties on Japanese goods, he said, Japan is ready to exercise control of exports to India. In his opinion the best thing is for India to send her own representatives to the proposed Anglo-Japanese trade parleys.

In order to give a final decision to the attitude of Japanese cotton spinners against the British proposal for Anglo-Japanese trade talks, a meeting of representative cotton spinners was scheduled to take place in Tokyo May 24.

Strong Agitation in Japan Against Britain

"Defend Asia for the Asiatics; Drive the British from Asia" and "Down with Great Britain, the Violator of World Peace" are the slogans of a new organization, the Asiatic Anti-British League, promoted by various farmers' organizations in Japan whose members have been angered by abrogation of the Indo-Japanese trade convention. Under the leadership of Tamon Yokota, chairman of the board of directors of the Japan Peasants' Federation, the anti-British group recently opened headquarters in Kojimachi, Tokyo, from which it has already distributed some 200,000 posters in Osaka to advertise its aims.

One of the posters read "Defend Asia for the Asiatics; Drive the British from Asia" and called on the public to "return to Asia, drive them (the British) from the Asiatic market, restore the Holy Land of Gautama Buddha to the Indian people and defend Great Asia and world peace." As previously mentioned in these columns, it was intimated in a recent *Reuter* message that Rash Bihari Bose, an Indian nationalist leader long resident in Japan, is fomenting this movement.

Ramsay MacDonald, replying to question in the House of Commons May 22 said that negotiations for a new Anglo-Japanese agreement were not presently contemplated, adding that the proposed commercial negotiations with Japan, had no reference whatever to the Sino-Japanese political situation.

Who's Who in China

Chen Shih-ti (Chi-Hao), Court official; born at Hangchow, Chekiang, 1882; received his early education under private family tutors; studied at St. John's University, Shanghai, 1900-05; taught English at Chekiang Provincial College, Hangchow and Tsung Veng Middle School 1905-06; went to America and studied Political Science at the University of California and Harvard University 1906-11; returned to China in 1911; appointed auditor to the Bureau of Audit, Peking. 1911; promoted auditing officier after the establishment of Board of Audit, 1913; auditing officier to the Board of Audit with the rank of Chien Jen and vice-director of the committee on the examination of Final Returns, Board of Audit, Peking, 1914; member of the Commission for the Consolidation of Foreign and Domestic Loans 1922; technical expert to the Commission for Readjustment of Finance 1923-26; counsellor to the Commission of Foreign affairs 1924; technical expert to the Special Tariff Conference 1925; counsellor to the Treaty Revision Study Commission, 1925; chief secretary to the Civil Administration Department of Chekiang Provincial Government 1926; secretary to Hangchow Municipal Government 1927-29; Chief secretary to the District Court for the First Special Area in Shanghai since 1930; was awarded the second class Chiaho and third class Wenhu decorations in 1920 and 1921 respectively; address: First Special Area District Court, N. Chekiang Road, Shanghai.

陳世第字稚鶴
Chen Shih-ti

陳世第字稚鶴，浙江杭州人，年五十一歲，一九〇五年畢業上海聖約翰大學，旋返杭任浙江省立中學英文教員，一九〇六年赴美留學先後入加里福利亞及哈佛大學研究政治學共五年，一九一一年返國任北京政府審計處審計員，民國四年審計處改組爲審計院，升任簡任審計員，民國十三年任內外公債整理委員會委員，十四至十七年任財政整理委員專員，十五年兼任關稅會議專員及條約研究會顧問，十七年任浙江民政廳秘書長，十八九年任杭州市政府秘書，十九年任上海第一特區法院秘書主任，現任斯職。

Tokyo Paper Urges Profits Tax on Munition Makers

The *Yomiuri* urges the initiation of an emergency profit on munitions manufacturers, who benefit most by the present "inflation boom," and by the expansion of the army expenditure. The great bulk of the nation is seriously harassed by the depression and heavy taxes, and soldiers in Manchuria are fighting for the defence of the country's life-line at the sacrifice of their lives, it urges. At such a time, the munitions manufacturers alone are not only benefitting by the "inflation boom" but are realising enormous gains. Moreover, the contributions by these manufacturers towards the emergency war fund are negligible, compared with the sums donated by the masses. From these points of view, the *Yomiuri* concludes, the creation of a emergency profit tax is in accord with both the national sentiment and the sense of social justice.

Who's Who in China

(Supplement to the Standard Edition)

There will be published shortly a supplement to the standard book, "Who's Who in China," which will contain some 200 biographical sketches of Chinese men and women who have come into prominence since the Fourth Edition (1931) was issued. It also will contain revisions of some of the sketches which appeared in the Fourth Edition.

For example, the Supplement will contain the pictures and sketches of several leaders who have come into prominence as a result of the Sino-Japanese conflict, such as Generals Tsai Ting-kai, Chiang Kwang-nai and Oung Chao-wan of the 19th Route Army, Chang Chih-chung of the 5th Army; Ma Chan-shan, Su Ping-wen and Li Tu of the Manchurian campaign; Sung Chih-yuan of Chahar, Han Fu-chu of Shantung, Yu Hsueh-chung of Hopei, Chu Ching-lan of the Volunteers, etc., etc., etc.

For those who possess a copy of the last, or Fourth Edition, a copy of the Supplement, is indispensable.

READY FOR DISTRIBUTION ABOUT JUNE 1.

No office, home, school or public library is complete without **Who's Who in China,** containing the pictures and biographical sketches of most of China's leaders in the fields of politics, business, education and the other professions. In addition to a record of their careers, it also contains their latest addresses, matters of vital importance to those who would keep up with events in China and the Far East.

The prices, including postage, for the Supplement as well as the standard edition are as follows:

	(In China)	(Abroad)
Supplement	$ 2.50	G.$1.00
Standard Fourth Edition (1931)	10.00	4.00
Both books	11.50	4.50

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Shanghai.

Men and Events

A Japanese naval mission consisting of 16 officers toured France last week. Their visit included the Toulon naval base.

The Tsing Hua education mission at Washington, D.C. will be abolished on July 1 next, after having been maintained for nearly 20 years.

A recent telegram from Peiping stated that Marshal Wu Pei-fu denies himself to visitors and amuses himself by painting plum flowers and writing poetry.

Judge Milton D. Purdy and the staff of the U. S. Court proceeded to Tientsin during the week where a number of important cases are being tried.

It was announced in New York recently that Percy Rockefeller had resigned from the board of directors of the National City Bank, allegedly owing to ill health.

The project of floating a second Kiangsu-Chekiang silk loan has been dropped, because of the failure on the part of the financial authorities to find suitable security.

A tribute was paid to Frank Gill for his work in developing the Shanghai telephone service, by the Institution of Civil Engineers at their annual dinner meeting of the organization held May 19.

Dr. C. C. Wu, former Minister to Washington and Chairman of the Foreign Affairs Committee, accompanied by his wife, arrived in Hankow May 16 enroute to Szechuen on a touring trip.

The Chinese steamer *Ho An* loaded with coal, had to be hurriedly beached in the Whangpoo on the morning of May 20 as the result of a collision with the s.s. *Johanne Justesen*, under charter to the Kailan Mining Administration.

Prof. H. D. Lamson of the University of Shanghai is departing the latter part of June on home leave. Prof. Lamson will be absent from Shanghai for about fourteen months, which he expects to spend in graduate work at Harvard.

Serious charges of corruption, malfeasance in office, opium smoking and other crimes have been filed against Chang Chi-lin, Warden of the Detention House attached to the Kiangning (Nanking) District Court, by four jailers under him.

Surveys are being made by the Lung-Hai Railway Administration for a branch line from the point of intersection between the Railway and the Grand Canal in northern Kiangsu to Taierhchwang, just north of the Shantung border.

Herman C. E. Liu, president of the University of Shanghai, has been elected a delegate to the fifth biennial conference of the Institute of Pacific Relations. He has also been invited to lecture in different parts of the United States next autumn.

The death occurred in Shanghai May 22 of A. M. Guptill, former circulation manager of the *Shanghai Evening Post*. Mr. Guptill was formerly in the American Consular service but in recent years had been engaged in newspaper work.

Dr. W. W. Yen, Ambassador at Moscow, has been appointed a delegate to the World Economic Conference at London. The Chinese delegation will consist of Finance Minister T. V. Soong, Quo Tai-chi, Minister at London, and Dr. Yen.

Arrangements have been concluded between the National Economic Council and the Yangtsze River Conservancy Commission for cooperation in the survey of the various waterways in Hupeh and the administration of the dyke system in that province.

General Su Ping-wen and General Ma Chan-shan former Chinese Volunteer commanders in Heilungkiang, are stated to have sailed from Italy for China on May 12 on the *Conte Rosso* and are expected to arrive in Shanghai about the middle of next month.

It was announced in Canton last week that foreign merchants would be required to pay business taxes. A complete schedule is being drafted by the provincial department of finance setting forth the taxes to which foreign traders are to be subjected.

The German Embassy at Tokyo, which recently hoisted the Nazi flag, received a threatening letter believed to be from a Japanese Leftist source, saying, *inter alia*, "It is a challenging act against Japanese laborers and peasants that you should hoist the Nazi flag which is our enemy's symbol."

An association for the relief of Mongolian refugees in Peiping was inaugurated at the Chungshan Park in Peiping April 30 with Prince Nanyentu as chairman and many prominent Mongol and Chinese leaders as members.

General Liu Chen-nien, former commander of the Chefoo area, who was recently placed under surveillance by the Hangchow authorities at the instance of General Chiang Kai-shek, is to be sent to Nanchang for questioning by General Chiang Kai-shek

The British steamer *Glenshane*, of the Glen Line, was delivered in Osaka during the week. The vessel had been moored in Dairen harbor for several days. The purchase contract was concluded some time ago, this being one of a number of old British vessels recently bought by Japanese.

The death occurred in Tientsin, May 17 of J. G. Thomson, general manager of the Peiping-Mukden Railway. He had been in ill health and had gone into hospital for treatment. He was found shot dead in his room, the indications being that he had committed suicide.

A recent telegram from Shanghai published in the Japanese papers said Wang Chao-ming, President of the Executive Yuan of the National Government, generally known as the chief advocate of "determined resistance," may resign as a result of a clash with men supporting General Chiang Kai-shek.

Japanese newspapers state that medals intended for animals rendering useful service to the Japanese army have been prepared by the Tokyo War Office and are scheduled to be awarded June 1 to horses, military dogs and carrier pigeons, many of which have participated in the fighting in Shanghai and Manchuria.

Yasuji Fujita, a 32-year-old Japanese, faces deportation, from the United States, a recent Detroit message stated. American Immigration officers claim he violated the student entry privilege by engaging in professional wrestling. Mr. Fujita entered the United States in 1926 and attended three colleges, but he recently turned to professional wrestling to replenish his finances.

Admiral Montgomery Meigs Taylor, Commander-in-Chief of the U.S. Asiatic Fleet, and his flagship, the cruiser *Houston*, at present in Shanghai, have been ordered to call at Yokohama on June 2 and at Kobe on June 10. The visit is intended to reciprocate the recent visit of the Japanese Navy training squadron to American ports. The *Houston* is now at Shanghai.

Abolition of the coastal duty on machine-made native products, reduction of the import duties on raw materials and other necessaries, and increase of the duties on luxuries and other foreign imports, were urged recently by over 70 native factory owners in Shanghai in joint petitions submitted to the Executive and the Legislative Yuans, and the Ministries of Industry and Finance.

Leonard Wedderburn attempted suicide by slashing his throat with a safety razor blade at the Amoy Road jail Shanghai May 21 where he was held under remand pending trial in the British Supreme Court for China in connection with charge arising out of an early morning visit he is alleged to have made to the home of R. W. Davis, general manager of the *North China Daily News*.

Edward John Carlson, 20-year-old private of the United States Coast Artillery Corps stationed in Honolulu, was taken in custody by the Yokohama water police upon the arrival there recently of the N. Y. K. liner *Taiyo Maru*, on which he stowed away from Honolulu. He was sent back the next day by another Japanese steamer. He told the police that he stowed away because he wanted to get away from the strict discipline of the army, and he thought he could find an easier life in the Far East.

The Shanghai Telephone Co., is issuing debentures $10,000,000 (Chinese), which $3,000,000 is being subscribed by the International Tel. & Tel. Co., and the remainder is being offered to the public. The funds thus raised will be used to repay existing obligations and for general corporate purposes. The debentures are offered at par, pay 6 per cent interest and mature August 1, 1957. The Yangtsze Insurance Association, Ltd. will act as trustee.

Rear Admiral Y. S. Williams, U. S. Navy, who has been for the past two years in command of the American gunboats operating on the Yangtze River, is to be detached about July and will be appointed Commandant of the Navy Yard, Mare Island (San Francisco), California. Rear Admiral Williams will be relieved as Commander of the Yangtze Patrol by Captain John D. Wainwright, U. S. Navy, at present attending U.S. Army War College, Washington D. C. Captain Wainwright has been designated to be promoted to the grade of Rear Admiral.

Kent Cooper, general manager of the *Associated Press of America*, is expected to arrive in Shanghai from Japan by the *Empress of Japan* June 6. Roy W. Howard, chairman of the boards of the *Scripps-Howard* Newspapers and of the *United Press* of America, also in Japan at present, will tour Manchuria before coming here.

The appointment of Mr. Shigemitsu, former Japanese Minister to China, as Vice-Minister of Foreign Affairs, and the impending changes of other officials in the Asiatic Bureau of the Foreign Ministry, indicates a change in Japan's foreign policy towards China a recent Tokyo telegram to the Shanghai *China Times* stated.

The American School, Kikungshan, now occupying the Redcroft buildings on Kuling, will have their graduation exercises for the Grades on June 7, and for the High School on June 8, Prof. Palmer Anderson, the principal, states. This is the school that was forced to evacuate Kikungshan in the winter of 1931 because of the approaching "Red" army. Since the autumn of 1931 it has been ocated on Kuling.

Rift Between American and French Delegates at Geneva

The United States views on disarmament were voiced in an important speech by Norman Davis, the American delegate, at the meeting of the General Commission of the Disarmament Conference at Geneva May 27.

Mr. Davis declared that the present situation admitted of no further delay. "The states of the world," he said, "must either proceed comprehensively to carry out the disarmament policy adopted in 1919 or reconcile ourselves to reverting to the race in competitive armaments."

"If the latter course is taken," Mr. Davis continued, "the inevitable consequence is that the world will be swept by another war. If we candidly face the situation, there is no alternative for a sane world to consider. We cannot safely delay taking effective steps to reduce armaments."

As a result of a flare-up between Norman Davis, the American delegate, and Paul Boncour, French Foreign Minister, at the May 22 meeting of the general commission of the Disarmament Conference. Arthur Henderson, Chairman of the Conference, adjourned the meeting until the next day.

Mr. Davis declared that after the explanation he had given previously of America's attitude there was no need to waste time in discussing again Part One of the British draft Convention, as the question of security could more properly be discussed among the powers directly concerned. This attitude of Mr. Davis disconcerted the French delegate, Mr. Boncour, who construed it as meaning that France must be satisfied with a vague, indefinite promise of American collaboration in the consultative pact—which France is not satisfied with.

Dr. Rosenberg, who recently visited England as Herr Hitler's special envoy, paid tribute to Norman Davis in an article appearing in the *Voelkische Beobachter* May 23.

Nazi Control of Prussia Consolidated—Constitution Abolished

Nazi control of Prussia, was consolidated by the Prussian Diet on its reassembly in Birlin May 18. The Diet adopted by more than a two-thirds majority, only the Socialists opposing, an "authority bill" giving the Prussian Government under Prime Minister Goering plenary powers in Prussia, as it abolishes practically all the stipulations in the Prussian Constitution, including that providing for a popular referendum against laws.

Herr Nadolny, German delegate at Geneva, May 19 made a declaration accepting the British plan "not only as we have up to now had as a basis of discussion but as a basis of future disarmament convention itself."

The French delegate, M. Massigli, said he interpreted Herr Nadolny's remarks as indicating that a new position had been taken up by the German Delegation and as showing that the obstacles which stood in the way of the progress of the Conference, had been removed.

The Proposed Four-Power Pact

Interest in the suggested four-power pact between Britain, France, Germany and Italy, originally proposed by Signor Mussolini, was revived through the sudden visit of the Prussian Premier, Captain Goering, Herr Hitler's right hand man, to Rome on May 20. Diplomatic conversations concerning the pact have been going on continuously of late in London, Paris, Rome and Berlin.

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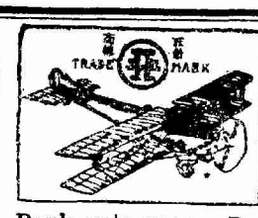

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New Books of Interest in the Far East

Through Chinese Christian Eyes

As It Looks To Young China. Chapters by a Group of Christian Chinese. Edited by William Hung. Published by the Student Christian Movement Press, London, W.C. 1. 1932. Price 2s. 6d.

This excellent little book takes up various aspects of Chinese life, one after another, as seen by intelligent Chinese Christians, and presents them fairly and well. There are few statements in the book itself which one can honestly dispute as matters of fact. On the other hand, the title of the book is grossly misleading, giving as it does the idea that Christian Chinese are representative spokesmen for "Young China." They are, of course, nothing of the kind, and Professor Hung in the opening chapter frankly refers to the young Chinese in the Christian movement as being but a small minority in the country. But the title itself is a regrettable one. However favorable the impression it may make upon unthinking Christians in the West, it is certainly otherwise with emphatically un-Christian "Young China," and with all who are acquainted with the static if not moribund status of organized Christianity in this country. It should be added that the Christianity of the authors of this book is a Protestant Christianity. The Catholic Church, far the most numerous of any Christian Church in China, is hardly referred to.

The work is a symposium. The first chapter, "Setting Confucious Aside," is introductory, and is written by the editor, Professor William Hung of Yenching University. It gives a good outline of Chinese history since the coming of the West and the Taiping Rebellion, this as a background for present conditions as described by the other writers, first of these being Professor Timothy Tingfang Lew, also of Yenching, who writes on the Chinese family.

Family and School

In this article the old big-scale family of well-to-do Chinese is described, and the manner in which modern forces are undermining it is excellently set forth, whether or not it is true, as Mr. Lew claims, that "monogamy has become the ideal of the younger generation." Christianity has certainly done its part in breaking up the family in China, largely (as Lew points out) by its "insistence on monogamy....intolerance towards concubinage," and by its pioneering work in the "modern education of women." (It has also worked towards this end by the splitting of families along religious lines, and its negative attitude towards ancestor-worship.) But this Christian influence is now of minor importance in undermining the family: "modern ideas from abroad are accomplishing that result with far more devastating thoroughness."

The next chapter, by Professor K. Ma (also of Yenching), deals with the school in China, which it describes interestingly and well, though limiting its description mainly to the higher schools and colleges, which are of course almost exclusively the preserve of the well-to-do. The next chapter, "The Vocation," is by James S. Chuan, manager of the Chin Ch'eng Bank in Peiping, and has to do with the difficulties of a young man, who has acquired high principles, in making a living in China after completing his university career. His imprisonment as a "Communist" as a result of his welfare work in a factory where he held a secretarial position, is a high light of the story, which is an extremely illuminating one.

Chinese Society

In "The Nation" Professor J. F. Li, also of Yenching, gives an excellent analysis of the present social and political order in China. First of all:

> "It is a society wherein the military man is all powerful and the business of civil war never fails to be profitable... More and more soldiers can always be had by impressing the common people into service. The common people provide also food and money with which ammunition can be easily bought or manufactured. It does not, therefore, require much to start the business, and it is a safe business, at least for those who own it. To be sure, almost annually there has been actual fighting, but none of the marshals and generalissimos have ever died in battle.
>
> "Whenever they are forced out of the field or want to retire with the profits they have accumulated, Shanghai and Tientsin always provide convenient refuge. These cities, though on the map, are virtually foreign territory, where 'political' refugees are well taken care of and given safe exit to foreign countries, and where millions deposited in foreign banks are perfectly safe from confiscatory measures."

But as Professor Li well points out, the roots of the matter lie not only in the ancient absolutism of China, but in the popular indifference to political affairs. The common people have never had any political control whatsoever, Confucius taught that men who didn't hold political jobs should keep their mouths shut about administration, and "worship and war were the only big affairs of the State." Government in China "has come to mean.... something that brings little or no benefit to the common people, and herein lies their lack of concern with its affairs." This psychology is being altered as worsening conditions drive more and more of the people to desperation and to Communism, but popular indifference is still the great obstacle to a fundamental solution of things by the people themselves.

The World and the Church

In "The World," by Dr. Y. Y. Tsu of Peiping Union Medical College (in this book spelt "Peking," though the institution itself altered the spelling years ago), the relations of China and the outside world are dealt with intelligently, and with due observance of the White "superiority complex" found among so many foreigners in China, though Dr. Tsu's remark that the Chinese expression *yang kwei-tzu* (foreign devil) is comparatively "harmless and innocent of obnoxious meaning" is a most extraordinary statement.

The concluding chapter, "The Church," is by Dr. T. C. Chao, Dean of the School of Religion at Yenching, and points out both the traditional Chinese attitudes toward religion and the present developments among Chinese (Protestant) Christians. The author frankly admits that "one finds the Church attended on Sundays largely by the old, the ignorant, the servants of missionaries, and noisy children," which is understandable in view of the difficulties of a native pastor, who must "live on an income on which it is impossible for him to meet his obligations as a son, a husband, a father, a brother, a friend, a member of society, an educated person, and a man. Often he does not get one-twentieth of the salary of his missionary associates."

Upper-Class Christianity

Dr. Chao also mentions the resolution by the National Christian Council here asking the churches "not to admit to membership illiterate persons below the age of forty." This, of course, definitely marks the class nature of the Church in China, as the great mass of the people are illiterate. But in general it must be said that the problems taken up in this book are upper-class problems. The big Chinese family is for "them as can afford it," not for the day laborer in town or country. Questions of school and vocation are also dealt with from the viewpoint of the fortunate minority who reach the university, and have some choice about their vocation, though one would hardly suspect this from the chapters themselves, which present the subjects as if questions of concubines, higher education, and choice of vocation were vital problems to the ordinary people of China, which is most distinctly not the case. The common people come into the book rather incidentally, though of course with sweet Christian sympathy. The Communist movement, however, is dealt with very fairly and well. There is almost no reference to the present Japanese invasion.

H. H.

Little Progress Made in Negotiations for Settlement of Factory Control Issue

Despite the continued negotiations between O. K. Yui, Chief Secretary of Greater Shanghai Municipality and Stirling Fessenden, Secretary-General of the S. M. C. the prospect of an immediate settlement of the factory inspection issue in the Settlement is still in abeyance, judging from reports regarding the matter during the week. Mr. Yui, in an interview with pressmen on May 18, is reported to have declared that the Chinese Authorities would not be averse to a compromise on the question, provided that the sovereign rights of China in this matter are acknowledged and that the rights of the Greater Shanghai Municipality in this area are not disputed. He is also reported to have hinted, according to a report in the

Shanghai Times on May 18, that the Chinese authorities may permit the S. M. C. to carry out the proposed inspection for a definite period on the understanding that Chinese officials will assume these duties at a subsequent date. However, he added, he must wait for the decision of the Consular Body on the matter in order to decide his attitude.

Reports from the Chinese papers on the question state that the Diplomatic Corps in Peiping has not sanctioned the amendment to the bye-law of the Shanghai Land Regulations, as adopted by the foreign Ratepayers' Special meeting, providing for factory inspection by S. M. C. and has instructed the local Consular Body to find a suitable measure for jointly maintaining Chinese sovereignty and effecting the safety of the factories in the Settlement. At the same time, the local Consular Body has also remained reticent on the problem and no defiite action was adopted at its meeting on May 16. The Consuls are purposely delaying action pending results of the negotiations of the S. M. C. with the Chinese Authorities.

Mayor Wu Te-chen of Greater Shanghai Municipality paid a visit to Nanking on May 17 to exchange views with the Executive Yuan regarding the factory control problem in the Settlement and said in an interview that negotiations are under way for a satisfactory solution of the issue.

A report in the *North China Daily News* on May 22 stated that negotiations between the Chinese Authorities and the S. M. C. officials for a settlement of the problem are being continued and a compromise may be reached whereby the factories in the Settlement might be placed under the joint control of the Settlement and the Chinese Authorities.

According to a *Kuo Min* telegram from Nanking on May 22, a working agreement might be made on the basis of co-operation between the Chinese City Government in Shanghai and the S. M. C. in connection with the factory inspection in the Settlement. The Ministry of Industry is reported to have drafted the following general principles regarding the scope of co-operation:

The Greater Shanghai Municipality and the S.M.C. shall each appoint inspectors to form jointly a special Factor Inspection Bureau to take charge of factory inspection in the Settlement.

The Settlement Authorities shall recognise the right of factory inspection in the Settlement as being vested in the Chinese Government.

Factory inspectors shall be appointed by both Chinese and foreign authorities and inspections shall be carried out jointly by the appointees of both sides.

Whenever any special questions arise in connection with factory inspection, the Chinese Government must be consulted.

Judah Ezra Indicted in San Francisco on Narcotic Charge

A formal indictment was returned by the San Francisco grand jury May 16 against Judah Ezra, formerly of Shanghai, and a Chinese named Leong Chung, who were charged with violating the laws against the importation of narcotics. Defendants were admitted to bail.

Ezra will be remembered here as one of the outstanding figures in a baseball scandal which occurred in Shanghai about 15 years ago, (during the Great War period) while the Filipino baseball nine from Camp Stotsenberg was visiting this city. The *N. C. D. News* at the time printed an editorial article suggesting that the best way to redeem himself would be to join up for war service. He left Shanghai about two years later for the United States, where he has since remained.

Inquiry Into Drug Traffic in China Suggested

An inquiry into the drug traffic in China either by the League of Nations or the Chinese Government was suggested at a meeting of the Opium Advisory Committee in Geneva, May 22, by J. A. Lyall, the British assessor, who was at one time connected with the Chinese Maritime Customs.

The Fight Against Narcotics in Egypt

A strong plea for firm action by the Governments of Egypt and Bulgaria to suppress the trade in illicit drugs was made by Russell Pasha, Commandant of the Cairo Police, and head of the Central Narcotics Bureau, in his recent annual report on the narcotic trade.

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YADVEGA E. LAWSON, born PLASKAY Plaintiff,
vs.
JOHN H. LAWSON Defendant.

Cause No. 3540
Civil No. 1608
ORDER
Filed at Shanghai, China
May 13, 1933.
L. T. Kenake,
Asst. Clerk

The object of this suit is an action for Divorce

WHEREAS, plaintiff herein, by her attorneys, has this 12th day of May, 1933, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 12th day of May, 1933, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 12th day of May, 1933, the plaintiff herein filed an affidavit to the effect that the defendant does not now reside in China nor has he resided therein since two years past, and that defendant's last known address was c/o Navy Department, Bureau of Navigation, Washington, D. C.

NOW, THEREFORE, it is this 13th day of May, 1933, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the "CHINA WEEKLY REVIEW" Shanghai, China, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occuring after the 3rd day of June, 1933, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:
Dated at Shanghai, China,
this 13th day of May, 1933.

MILTON D. PURDY,
Judge.

Do We Need Europeanized Education in China?

BY R. S. YU

THAT there is an urgent need of drastic changes which amounts, perhaps, even to the extent of revolution, in the education of China we all agree. But as to what form these changes should take, there seems to be quite a diversity of opinions. Fundamentally, however, there is one element in common among the various expressed views concerning this problem, and that is: The day has come at last when we must stop once for all to model blindly our education on foreign patterns, and to muster all of our efforts in creating an indigenous educational system which will be able to meet the individual as well as the social needs of the Chinese people. In other words, that new educational system must be organized purposefully in the interest of the public, and in its working, it must inevitably result in the acquisition of economic independence and the increasing of general prosperity of the masses.

Personally, while the writer does not sympathize with those who seem to believe in the indiscriminate and superficial adoption of the Western educational ideals and practices, he is, however, in favor of China taking advantage of those methods and practices which are outcomes of scientific research for the increase of our own educational efficiency. In doing so. the basic issue which we must face clearly is that we should not merely imitate but adapt the Western educational methods if our own education is to be really national and creative. Therefore, in our effort to bring about reforms in the education of China, there are two possible courses of action which are interrelated. First, we should formulate our own educational policy on the basis of our present individual and social needs. Second, a complete and thorough revision of our educational system requires that we should make a comparative study of those educational systems and methods which are results of scientific study and research. Whether those systems and methods are found either in England, France, Germany, or America is a matter of no importance.

"At the May 1931 session of the Council of the League of Nations, the Chinese Government," in view of the urgent necessity of reform in the educational system, "asked the technical organizations of the League to collaborate in the preparation and execution of a scheme of reform. With regard to the re-organization of public education the League contemplated, in particular, sending to China a mission composed of advisors who would assist the development of the Chinese educational system and facilitate intercourse between the centers of intellectual activity in China and abroad."

European Mission Tours China

The Mission composed of leading European educators arrived in China on September 30, 1931, and for three months travelled in various sections of the country, visiting the more important educational institutions, and discussing with our educators, both official and lay, the various phases of our educational problems. A report entitled, "The Reorganization of Education in China," was published in Europe and America, and a translation (中國教育之改進) was made and published in China in the same year. In view of the shortness of the time at the disposal of the Mission, its work as included in its Report is certainly to be commended. However, this does not mean that we should restrain ourselves from making any criticism concerning the position taken by the Mission in writing up its report.

First, the writer, after a careful reading of the Report, has noticed that the Mission in making its observation has either purposely ignored or failed to find out the real social and economic conditions of Chinese society. It does not recognize that China is an agricultural nation under the onslaught of Western capitalism with the result that its farming products and homecrafts, on which most of its people's livelihood depends, are on the verge of bankruptcy. It does not touch the root cause of the appalling failure of our education as one of the efforts to help building the new China. The Mission has failed in this fundamental understanding; therefore, any conclusion drawn by it is liable to be mistaken. No wonder. the proposals and suggestions made by the Missions pending the adoption of our Ministry of Education are only in the direction of school education, educational administration, teaching methods and materials.

Second. the Report made by the Mission should properly be called, "A European plan for the reorganization of education in China." In spite of its effort to guard itself against this criticism by emphatically denying that it has any idea "to see European educational methods substituted for those imported from America." But at the same time, it has incidentally pointed out that conditions in Europe are much more similar to that of China, and that the civilization in Europe is more advanced than that of America. In its "urgent Preparatory Measures," this tendency is concretely set forth in the following recommendations:

"1. As soon as possible a special commission should be sent to Europe to study the organization of school administration in the different European countries. Those sent should be men of experience, who are expected to be afterwards the leaders of the reorganization.

2. We think it more advisable to make Chinese experts acquainted with European conditions and administrative methods than merely to invite European advisors to Nanking; but should the Ministry wish to obtain the assistance of a competent European administrator, the League of Nations will certainly be pleased to help to find an adequate expert, who not only should be trained in one or the other branch of educational administration, but must possess a wide and thorough practical experience. Such an expert. if he comes at all, should be placed at the disposal of the Chinese Government for at least one year.

3. We recommend, further, that Chinese specialists be sent to Europe to study textbooks, curricula, etc."

As pointed out at the outset of this article, the writer favors the idea of adapting Western educational methods so as to increase our educational efficiency. What he does not understand is that the mission in condemning in no less strong terms the American influence at the same time strongly recommends the adoption of the European methods. Is it because the Mission does not wish to see the American influence monopolizing the Chinese educational field that motivates the otherwise unexplainable determination to condemn them? If that is not the case, then its recommendation of European educational methods is in contradiction to its emphasis that the Chinese educational system must be built on its history, philosophy, and literature. There is no possible course of evasion. If it were not the former, it must be the latter.

What Kind of Chinese Education?

Third, from the opening to the concluding paragraph of the Report, emphasis is laid upon the firm belief that if the educational system of China is ever to become national and creative, it "must mobilize its forces, and from its own history, from its own literature, from all that is truly indigenous, extract the materials for a new civilization that will be neither American nor European but Chinese." The statement just quoted sounds natural and reasonable, but as there is an abundance of materials on the philosophy, history, literature and religion of China, to which source should we go in our attempt to build an indigenous educational system? Does the Mission actually mean that we should go back to the practice of forcing our students in different grades of our school system to study the ancient classics, at the expense of modern knowledge? Does it mean that we should not train men and women who will be able to enter into productive and needful occupations and begin once over again the training of "pseudo ladies and gentlemen of leisure," whose business is the exploitation of the masses? In short, the Mission has failed to point out as to to what should be the foundation of our new educational system. If we judge the Report from this angle, then, it seems quite evident that it renders itself valueless.

Fourth, with reference to the organization of educational administration, the Report in its "Conclusions" has the following to say:

"1. An efficient school administration, to introduce and to manage modern education. The principal conditions of creating it are:—

(a) To strengthen the authority and the influence of the Minister of Education—

(i) by enlarging his sphere of action, especially in the field of appointments (the leading members of subordinate educational boards should be appointed by him after consultation with the local authorities or on their proposal);

(ii) by giving the Minister the support of representatives of the parts of the population interested in education (special commissions, corsultative assemblies, in all grades of the administration, ex-officio members, appointed and chosen representatives of the teaching staff, parents and the general public).

In the organization of the educational administration of any country, there are two systems in vogue. The first is the centralized system and the second is the decentralized system. The former is found in countries like France and Germany, while the latter is in practice in England and the United States. In plain words, the Mission recommends that China should adopt the centralized system of educational administration, but without giving any reason as to why China should adopt it.

The problem as to which system is more suitable to the conditions of China is widely discussed, but every educator seems to have his own point of view. At present, our system of educational administration is a centralized one, but what can our Minister of Education at Nanking do when the local authority, say, the Political Council of the South-western Provinces proposes a different educational system for schools within that section of the country.

While it is without question that there is a number of arguments for the superiority of the centralized system of educational administration, it should also be kept in mind that political and economic conditions differ greatly in different parts of China. Any form of educational administration, if it is going to be practical must face this fact. Personally, the writer is inclined to think that an absolute centralized or de-centralized system will inevitably prove to be ineffective and impracticable in a country like China. Our organization of educational administration must be built in such a way so as to bring together the qualities of both systems. That the Mission without taking cognizance of the varying conditions in different parts of China suddenly recommends our adoption of a highly centralized system of educational administration, seems ridiculous.

These are, in brief, the criticisms the writer has toward the Report by the League of Nations' Mission of Educational Experts. If by any chance this short paper should come before the eyes of these "experts," and if they think that it is worthy of a reply, the writer will deem it a great favor.

Wusih, Kiangsu, May 11, 1933.

Strong Chino-Foreign Committee to Inspect Silver Dollar Mintage

The Ministry of Finance has appointed a large and influential committee of bankers—including Chinese and representatives of foreign banking institutions—to supervise the coinage and general affairs of the Central Mint. The duties of the committee will include the examination of the newly coined silver dollars to see that they conform to the required standard and the rules of procedure laid down are precise and strict.

Chinese Members—Hsu Kan, chief of the currency department of the Ministry of Finance, and Lu Hsueh-pu, director of the Central Government Mint, will serve as ex-officio members of the committee.

Chinese bankers who have been asked to serve on the committee are:—

Dr. H. H. Kung, Governor of the Central Bank of China (Chairman); Jian H. Chen, Deputy Governor of the Central Bank of China; C. Chen, Manager of the Shanghai branch of the Yien Yieh Commercial Bank; Chang Kia-ngau, Managing Director and General Manager of Bank of China; Li Ming, Chairman and General Manager of the Chekiang Industrial Bank; Y. M. Chien, Manager of the Shanghai branch of The Joint Savings Society; C. M. Shu, Managing Director of the National Commercial Bank; S. M. Tong, General Manager of the Bank of Communications; K. P. Chen, Managing Director and General Manager of the Shanghai Commercial and Savings Bank; Hsi To-mou, General Manager of the Exchange Department of the Central Bank of China; T. T. Zing, Chairman of the Shanghai Native Banks Association; T. F. Shieh, Manager of the Tse Kong Native Bank; Y. Hou, General Manager of the China and South Sea Bank; Tsuyee Pei, Manager of the Shanghai branch of the Bank of China; T. D. Woo, Managing Director of the Bank of Communications; C. T. Yih, Managing Director of the Central Bank of China; Singloh Hsu, Managing Director and General Manager of the National Commercial Bank; C. C. Woo, Manager of the Shanghai branch of Kincheng Banking Corporation; H. Yoh, Manager of the Shanghai branch of the Continental Bank; Kan Tong-po, General Manager of the Bank of East Asia; Mr. Y. C. Woo, Chinese Manager of Shanghai branch of Deutsch-Asiatische Bank.

Foreign Members—Foreign representatives invited to serve on the committee are:—A. S. Henchman, Manager of Shanghai branch of Hongkong and Shanghai Banking Corporation; J. C. Lennie, Manager of Shanghai branch of Chartered Bank of India, Australia and China; F. Reysenbach, Manager of Shanghai branch of Netherlands Trading Society; M. Speelman, Director, International Savings Society; H. Mazot, Manager of Shanghai branch of Banque de l'Indo China; E. Kann, Member of Shanghai Foreign Exchange Association; F. B. Lynch, Adviser to the National Government; James A. Mackay, Manager of Shanghai branch of National City Bank of New York; R. Calder-Marshall, Managing Director, Calder Marshall and Co., Ltd.; J. E. Swan, Partner of Swan, Cubertson and Fritz; F. R. Davey, Director, E. D. Sassoon Banking Co., Ltd.; L. Straetmans, Manager of Shanghai branch of Banque Belge pour l'Etranger; A. Reiss, Manager of Shanghai branch of Deutsch-Asiatische Bank; U. M. Tavella, Manager of Shanghai branch of Italian Bank for China.

CUSTOMS NOTIFICATION NO. 1298

In accordance with Government instructions, the public is hereby notified that from midnight on the 13th May, 1933, helm or steering orders, *i.e.* orders to the steersman, are to be given in the *direct* sense in all Chinese merchant vessels. When a ship is going ahead, the English word "Right" is to be used when it is intended that the wheel, the rudder blade and the head of the ship shall all move to the right. Similarly, the English word "Left" is to be used when a ship is going ahead and it is intended that the wheel, the rudder blade and the head of the ship shall all move to the left. On small vessels steered by hand tiller orders are also to be given in the *direct* sense. That is to say, the order "Right" is to be given when the rudder blade and head of the boat are to be moved to the right, and the order "Left" is to be given when the rudder blade and head of the boat are to be moved to the left.

A. C. E. Braud,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 19th May, 1933.

CUSTOMS NOTIFICATION NO 1299

The public is hereby notified that on the instructions of the Government a revised Import Tariff will be put into force on Monday, 22nd May, 1933

Copies of this Tariff, the rates of which are provisional, may be seen on application at the Custom House. Copies have also been distributed to the various Consulates, Chambers of Commerce, and newspaper offices.

H. O. Tong,
Superintendent of Customs.

A. C. E. Braud,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 22nd May, 1933.

CUSTOMS NOTIFICATION NO 1300

In accordance with Government instructions, the public is hereby notified that the importation of opium powder will in future be permitted under bond from any country by qualified medical practitioners, druggists and chemists and that this commodity is being added to the list of articles which may be imported in this way under Rule III, paragraph 4, of the Provisional Rules attached to the 1931 Import Tariff.

H. O. Tong,
Superintendent of Customs.

A. C. E. Braud,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 22nd May, 1933.

Japanese Political Circles Divided on May 15 Affair

With the lifting of the press ban on May 17 of the so-called May 15 affair, the details of one of the most sensational political revolts in the constitutional history of Japan—which was chiefly responsible for the creation of an "emergency cabinet" under Admiral Viscount Saito,—were disclosed. The "May 15 affair" is a term generally used in Japan to describe the events associated with the assassination of Premier Tsuyoshi Inukai on May 15 last year. It is revealed that this crime was the culmination of a plot organized by a band of ultra-nationalists, who aimed at dislodging the Government in power through terroristic demonstrations.

The men who took part in the assassination and subsequent outrages, including assaults on a number of important public buildings, number altogether 47, mostly young men under 30 years of age, of whom 13 are civilians; the other participants were 16 naval officers and 11 army cadets both in active service. The majority of the civilian accomplices were members of the Aikyojuku, a nationalistic agrarian school in Ibaraki Prefecture, near Tokyo.

The officers and cadets, who took part in the assassination and assaults, surrendered themselves at the Tokyo Gendarmerie Headquarters immediately after the event while most of the civilian culprits were arrested a few days afterwards. The leaders of the plot were taken into custody several months after the assassination. The examinations of the civilian culprits were made by the procurators' office of the Tokyo District Court, while those of the navy and army accomplices were carried out by the court martial of the Yokosuka Naval Port and that of the First Army Division in Tokyo respectively.

An official statement explaining the details of the affair was issued by the Ministry of Justice, in which all of the arrested were announced as formally indicted. The civilian culprits were charged with manslaughter and violation of fire-arm handling regulations while the military culprits were charged with insurrection. The public trials will be begun probably in the latter part of July.

Political Circles Sharply Divided

Political circles in Japan are sharply divided in their views toward the immediate political situation. *Rengo* says that the one group, represented by the Seiyukai, which is in a majority in the Lower House of the Diet, insists that the publication of the statement of the affair should be taken as the termination of the emergency period and that, therefore, the Ministry should be transferred to the largest political party in accordance with usual constitutional practice, while the other group, represented by the Minseito and the Kokumin Domei, while differing in their interpretation, are agreed in expecting the continuation of the exisiting Cabinet, on the ground that the emergency has not yet ceased to exist.

Judging from the utterances of War Minister Araki and other military leaders, there is ground to believe that the military quarters prefer the continuation of the Saito Ministry to any Cabinet based exclusively on political parties.

Premier Viscount Saito visited Prince Saionji, the only surviving imperial adviser, at his villa at Okitsu, near Shizuoka, during the week end. Prince Saionji is believed to be in favor of retaining Finance Minister Takahashi in his post. Mr. Takahashi, in an interview May 20 declared that he would never step out of office so long as attempts were being made to make political capital out of his resignation.

Viscount Saito issued a statement May 23 that as a result of a conference with Mr. Takahashi, the Finance Minister, to the effect that Mr. Takahashi, who realised the gravity of the situation, had decided to remain in office and surmount the difficulties facing Japan in spite of ill health.

Minseito Leaders Put in a Good Word for May 15 Assailants

Messrs. Koidzumi, Tomita and Suzuki, all Minseito leaders, recently made public a written view on the maintenance of the dignity of the law in connection with the May 15 affair, claiming that the civilian accused ought to be arraigned on charges of creating civil disturbances. Although the actions of the accused in the May 15 affair deserve strong censure, the motive of their crimes was their solicitude for the welfare of the State. They cannot properly be viewed in the same light as ordinary murderers. The political memorialists go on to say that the case reveals a serious defect in the Japanese judicial system in that the May 15 affairs is going to be tried by the army court-martial, the navy court-martial and the ordinary court of justice separately. The Government should revise the law so that the army and navy courts martial may try only military and naval offences, or offences committed under martial law, with a view to giving unified form and authority to the exercise of the judicial powers of the State.

Japanese Police Urged to Watch Suspicious Persons, Foreigners Included

Addressing the recent conference in Tokyo of the chiefs of the special high police sections (chiefly concerned with "thought" offences) and the foreign police sections of all prefectures, Mr. Matsumoto, Director of the Police Bureau of the Home Department, called attention to the fact that some Japanese indulge in such speech and behavior as tend to cause uneasiness to foreigners coming to Japan and that some foreigners in the country work against Japanese interests with malicious intent. As these people are serious hindrances to the execution of national policy, the speaker said, special care must be taken for their control.

200,000 Special Police in Japan

The Japanese Home Office has definitely decided to inaugurate a subsidiary police system (volunteer police). The plan was put before the Conference of the Chiefs of Prefectural Police, and although it called forth opposition from some, there was general approval. The Police Bureau of the Department has consequently decided to draw up concrete plans as regards organization and methods of activity by taking into due consideration the recommendation of the Conference. According to the present plan of the Home Deparement, the projected subsidiary police force will be about three times the strength of the regular police force, that is, 150,000 to 200,000 strong.

Students in Japan to Be Finger Printed?

The advisability of recording the fingerprints of all students in Osaka attending schools of higher status than the middle school, as part of a campaign against the spread of radicalism, is being studied by the prefectural police, according to the *Yomiuri*. Morito Kikuchi, chief of the special section of Osaka Police, reportedly is of the opinion that unless some such precaution is taken, the suppression of Communism will be extremely difficult.

Fifteen Years for Deserter in Shanghai Campaign

At the Third Division court-martial on May 12 sentence of 15 years' imprisonment was passed on First Private Takeyama of the Toyama 35th Infantry, on charges of desertion in the face of the enemy, and destruction of equipment. The President of the Court termed the sentence lenient, adding that such a cowardly soldier should be sentenced to death. The offence took place in the Shanghai campaign last year.

Real Estate Review Beyond the Western District, by Realty Investment Company

Trading in the area beyond the Settlement limits has been very brisk of late, many properties have been bought and any reasonable offering is almost immediately taken up. On all sides evidence is seen of construction work, starting from the new cement building which will be a dancing hall at the old vacant corner of Yu Yuen and Bubbling Well Roads, which was probably the only piece of vacant land along this thoroughfare. Great Western Road is active, and the foundations of the new Apartment House being built by Mr. Hudec are well under way. Further along the new houses designed by Messrs. Spence, Robinson & Partners are already up to the first story.

Henry Killam Murphy, the consulting architect to the Chinese Government, and now associated with the Realty Investment Co. is designing a house for Dr. John Y. Lee and will shortly be designing another house on Chungsan Road itself. Further West a new house is going up next door to Mr. Lambooy's, and a house of rather striking design has been completed by the Asia Realty Co. on the south side of Hungjao Road. Everywhere along this road there are signs of new fencing.

On Macleod Road, Mr. Drakeford's property is being levelled, and trees planted. Telephone poles also are going up. H. E. Arnhold's residence near the Golf Club is just having its roof completed. Two new houses are being built close to Mr. Widman's. H. S. Lindsay's bungalow is completed, and Sir Victor Sassoon's house at the end of the Hungjao Golf links is progressing steadily. V. Meyer is adding to the bungalow on his estate.

RECENT SALES

56 Great Western Road, an Apartment house; 2 houses on 3 mow of land, Route Doumer sold through Eastern Asia Land and Investment Co. for Tls. 100,000; Mow 3. 0. 3. 0. B. C. lot on Avenue & Hardoon Roads. Tls. 133,000; 110 Mow on Hungjao and Chungsan Roads; 9 mow on Chungsan Road; 18 mow on Hungjao Road; 5 Mow 2 on Hungjao Road; and 5 Mow 1, on Hungjao Road.

Japanese Gold Hunters Carry Machine Guns and Trench Mortars

A large-scale goldhunting expedition to North Manchuria, consisting of 400 men and organized at a cost of Yen 500,000, departed from Dairen, May 9. The party received instructions from Lieutenant-General Kuniaki Koiso, chief of staff of the Kwantung Army, before leaving. The party will be divided into three groups, each of 136 men. They will be armed with machineguns and trench mortars against possible bandit attacks.

Postal Communications Between Manchukuo and China

A recent Japanese message from Mukden, reports that a Chinese proposal to open postal communications between Manchukuo and China has recently been made by Mr. Dalton, Postmaster of Chinese Post Office at Shanhaikwan, to the Manchukuo postal administration, through Mr. Wang, Manchukuo Postmaster at Shanhaikwan.

America Supplies Manchukuo with War Trucks and Gasoline

The United States is doing the biggest business with Manchukuo of all foreign countries with the exception of Japan, according to official trade returns published in Dairen May 20. Japanese official quarters in Dairen state that there is every prospect of growing trade in motor-cars and machinery between Manchukuo and America, "demonstrating Manchukuo's scrupulous observance of the Open Door principle."

In connection with this report the reader should bear in mind that about 90 percent of the business, the news of which the Japanese use so artfully for propaganda purposes, is in motor-trucks for war purposes and in gasoline.

Extensive Road Construction to Be Carried Out in Manchuria

The Bureau of National Highways of Manchukuo has drawn up a 10-year program for the construction of 60,000 kilometer of roads. The highways will be divided into first, second and third classes having width of 8 to 11 meters. The average cost per kilometer is expected to be about Yen 500. Half of the proceeds of the Yen 30,000,000 national foundation loan will be used for paying for this road construction project.

Izvestia Says Japanese Spread Provocative Reports

Izvestia, official organ of the Soviet Government, strongly scores the actions of the Japanese *Nippon Dempo* agency in spreading "false reports of rebellions among the Cossacks of Transbaikalia."

Harbin Herald Has Another British Editor

With Lenox Simpson, "jail" editor of the Harbin *Herald* still taking refuge in the British Consulate-General, a *Reuter* message states that the Manchukuo authorities are not taking such a serious view of the alleged misrepresentation of facts relating to the new State by H. Fleet, present editor of the *Herald*. Mr. Fleet has been told that if he modifies his alleged unfair attitude towards Manchukuo no action will be taken against him.

Ramsay MacDonald, the Prime Minister, stated in the House of Commons May 22 that the Consul-General in Harbin had been instructed to protest strongly against the breach of treaty rights, in connection with case of Lenox Simpson, while the Charge d'Affaires in Tokyo had been instructed to ask the Japanese Government to use its influence to prevent the threatened violation of treaty rights.

Manchukuo to Spend $9,000,000 on New Judicial System

An appropriation of $9,000,000 in the budget estimates for the fiscal year beginning next July has been requested by the Department of Justice of Manchukuo for the purpose of reorganizing the judicial system of the new State. It is suggested that Judges from Japan be invited to effect the suggested reorganizsation and that young judicial officers should be sent to Japan for training.

A Tokyo message May 22 stated that Shin Tsuchiya, President of the Court of Appeal of the Kwantung Government is lying in a critical condition at his home in the outskirts of Tokyo with an acute stomach trouble.

Alleged White Russian Activities

The press ban on the news relating to the recent wholesale arrest of White Russians engaged in anti-Manchukuo espionage in Dairen, Mukden and other towns in Manchuria was lifted May 17. All with the exception of two, Putkin and Mihailov, were released owing to insufficient evidence.

Confessions of the arrested men and the documents seized by the police alleged that certain organizations of

CUSTOMS NOTIFICATION NO. 1301

In accordance with Government instructions, the public is hereby notified that no self-propelled vessels will in future be permitted to ply as fishing trawlers unless in possession of a fishing licence issued by the Shih-yeh Pu (實業部), but that, for the time being, this ruling will not apply to fishing-junks.

H. O. Tong,
Superintendent of Customs.
A. C. E. Braud,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 23rd May, 1933.

CUSTOMS NOTIFICATION NO. 1302

With reference to Harbour Notification No. 9 of 1933, concerning the wreck of the S.S. "Hoan" in the Astraea Channel, the public is hereby notified that this wreck, having been abandoned by her owners as a derelict, without any intention on their part of resuming ownership, has been duly taken possession of by the Chinese Maritime Customs.

The public is also cautioned against entertaining overtures from anyone to sell either the wreck or the cargo contained therein and is informed that no salvage operations will be permitted save by permission from the Commissioner of Customs.

A. C. E. Braud,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 24th May, 1933.

ONLY A FEW COPIES LEFT

The *Review* still has on hand a few copies of the following books dealing with Pacific and Far Eastern Affairs:

"Problems of the Pacific" by Bruno Lasker; standard book of reference for those interested in the complicated affairs of the Far East .....Price M.$15.00

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Oct. 10, 1931	Vol. 58 No. 6

Mail with statement to

THE CHINA WEEKLY REVIEW
38 Avenue Edward VII,
Shanghai.

white Russians, acting under instructions from their leader, General Horvath and Jicheritas, had been engaged in military espionage and sending out exaggerated or fabricated reported of the Japanese troop movements.

It is also alleged that a movement has been set on foot by the White Russians in different parts of the world to set up a new country in eastern Siberia.

According to a Japanese report, General Semenoff recently called a meeting in Tokyo of the representatives of the White Russian communities in different countries to discuss measures for the establishment of the new State. The meeting is alleged to have also decided to make Harbin the center of the Monarchical restoration movement, with an agent in Shanghai.

General Horvath, in an interview at Peiping, described the allegations as "nonsense."

1,576 Soldiers Sick and Wounded Now in Japan From Manchuria

Accordinging to a return published by the Japanese War Office, dated May 16, 1,576 rank and file of the Japanese army in Manchuria are now recuperating at various military hospitals in Japan. Of these, 662 are the wounded, 276 are frost-bitten, and the remaining 628 are returned to be suffering from various diseases.

Colonel House Opposes Stimson Policy

The Boston *Herald* quotes Colonel House as favoring abandoning the Stimson doctrine as regards the non-recognition of Manchukuo.

Japanese Say C.E.R. Purchase Needs Careful Study

The Japanese Foreign Office May 22 cabled to the Soviet government, through the Japanese Embassy in Moscow, with regard to the Soviet verbal note of April 16 concerning the Chinese Eastern Railway dispute and Soviet-Manchukuo frontier incidents. The reply is understood to emphasize Japan's scrupulous respect for Soviet rights and interests in Manchukuo.

Japanese military authorities have declared themselves in favor of the purchase of the Chinese Eastern Railway. It is, however, the opinion of the Nipponese military that the Japanese government should thoroughly study the possible international repercussions of such a deal prior to giving any definite reply to the Soviets, and carefully examine, among others, the eventual claims of France. And finally they think that the purchase of the C.E.R. should be effected not by Japan but by Manchukuo, to whom they will give every assistance. The Japanese Government is dubious of the Soviet claim to ownership of the railway.

French Carefully Watch Proposed Sale of C. E. R.

Telegrams in recent Japanese papers state that the proposal of the Soviet Union to sell the Chinese Eastern Railway to Japan has caused a sensation in France, where demands are being voiced for payment of the old loan of 6,000,000 gold rubles, 80 per cent underwritten in France, for the Russo-Asiatic Bank, which supplied funds for construction of the original line, according to the *Nichi Nichi*. All leading French newspapers have carried editorials, declaring that the railway must not be transferred without the consent of France.

Japanese-Owned Harbin Papers Says Third International Controls C. E. R.

The Japanese-owned *Harbin Times*, in a recent article dealing with the Chinese Eastern Railway and the activities of its Russian employees, states that North Manchuria is controlled by agents of the Third International and that the administration of the railway is in the hands of members of the Komintern. It declares that the Chinese Eastern Railway has been militarised by Soviet officials as only communists are now engaged, with preference for persons who have completed their term of military service in the Soviet army.

South-West Opposes Sale of C. E. R.

Political leaders in Canton are bitterly exercised over the proposed sale of the Soviet's interests in the Chinese Eastern Railway. Chow Lu, regarded as the spokesman of the Southwest Political Council, declared May 17 in an interview that China and Russia were partners in the railway and Moscow could not therefore assign it to Japan or any other third party.

"Russia is trying to sell the Chinese Eastern Railway to Japan, because Moscow is determine to complete a second five-year plan and therefore does not wish to go to war with any country," Kan Chieh-hou, inspector-general of foreign affairs for Kwangtung, said in an interview in Canton, May 21.

The Teachers' Association of all Middle Schools in Shanghai sent a petition to the Government May 21 protesting against the sale of the Chinese Eastern Railway by Soviet Russia.

Canton Declares Embargo Against Soviet Products

The Ministry of Finance received a telegram from the Customs at Canton May 19 reporting that the South-west Political Council recently ordered an embargo against the import of Soviet goods to Canton. The Canton Customs Commissioner rejected the order on the ground that the South-west Political Council has no right to issue an order to the Customs on such an important matter.

One of the reactions to the agitation by the Chinese against the sale of the C. E. R. is that it has affected Sino-Soviet trade relations. Chinese merchants are now stated to be demanding more favorable terms in commercial contracts on the ground that it is very difficult to push Soviet goods on the Chinese markets at present.

The idea of starting a boycott against Soviet goods was brought up for discussion at a recent meeting of the Shanghai Chinese Residents' Association, one of the leading public bodies in the city.

Huge New Loan Floated By Soviet Government

A state international loan for 3,000,000,000 rubles, redeemable in 10 years, was floated in Russia last week. Economic experts of the U. S. State Department have completed their report on the possibilities of trade with the Soviet Union during the next fiscal year. Some of the minor Department officials expressed the belief that a part of the proceeds from the recently floated Soviet loan may be used to establish credits in the United States for purchases of machinery.

An American Move Toward Recognition?

Recent telegrams from Washington indicated that President Roosevelt by including Soviet Russia in his recent appeal had taken the first step in the process of resuming diplomatic relations with the Soviet Union. By addressing the message as he did, the President had admitted that the Central Executive Committee was the *de facto* government of Russia. However recognition at this time, it was said by some of the Administration advisers, may actually impede the progress of the World Economic Conference for some of the nations invited to that meeting might consider it discourteous although not necessarily unfriendly.

Japanese Troops Fire Across Soviet Frontier, Kill Peasant and Horse

A farmer was mortally wounded and a horse killed outright on May 11 when a detachment of Japanese soldiers opened fire on a group of Soviet peasants near the village of Poltavka, hard by the Soviet-Manchuria frontier, according to a message from Habarovsk.

New Chinese Customs Tariff in Effect as from May 22

The National Government May 22 issued a new Customs tariff to come into effect immediately. There has been a wholesale revision not only of the rates of duties, but in many cases of the classification and units on which the duties are levied. The general run of machinery remains as before at 7½ per cent. An inspection of the new rates indicates that there has been an evident intention to increase the rates of articles from Japan generally, and in order to do this in many instances the goods from other countries coming under the same classification have also been subject to increases. It is in the tariff under the head of foodsuffs that the intention to penalize Japanese articles shines out particularly. Such articles as agar-agar, awabi, bicho de mar, cockles and crab flesh now have to pay roughly double the duty they paid under the 1931 customs tariff. There are general increases on piece-goods, but as the classification is changed comparison is difficult. Butter is among the foodstuffs the duty on which has been reduced. On condensed milk it has been slightly increased. The duty on raw silk has been increased from 30 per cent to 60 per cent advalorem.

On wines, beers and spirits the present duties are maintained; there are minor alterations in the duties no

cigars and tobacco leaf, including a reduction from Gold units 6.90 to 4 on leaf valued at less than Gold Units 105 per picul. The duty on gasoline is reduced (in the case of bulk imports) from Gold Units 1.70 to 1.53 per 10 American gallons. There are substantial increases in the duty on certain kinds of paper (M. C. Cap for example being increased from Gold Units 1.60 to 3.20 per picul), and the duty on "paper not otherwise provided for" free of mechanical wood pulp being doubled. The import duty on timber, generally, has been lowered, the rate now being 10 per cent. The rate on diamonds and jewelry has been reduced.

Tension in North China Extends to Various Schools

The chancellors of the four government universities, Tsing Hua, Peita, Pingta and Shihta, have all denied the report appearing in the Peiping vernacular press that the Ministry of Education had instructed them to remove the schools to the South. They said that no such instructions had been received from the Ministry. The only school which has received instructions to make preparations to remove is the Women's College of Arts and Sciences of the Peiping National University. It is stated that both the teachers and the students are not enthusiastic over the prospect of removing to Kaifeng, the capital of Honan, where the Ministry of Education has secured several vacant buildings on the campus of the Honan University.

The chancellors of the four government universities had an interview with General Huang Fu in Peiping, May 20, and discussed with him protective measures for students in view of the visits of Japanese airplanes recently.

The Peiping *Morning Post* (Chinese daily newspaper) insists, despite official denials current in Peiping that most of the Government colleges and universities in Peiping will be removed to the south owing to the threatening situation in North China. According to these reports the Peiping Government Universities will be removed to Hangchow, the Teachers College to Sianfu, the Medical College to Shanghai and the Tsing Hua University to Changsha.

The educational authorities of Hopei Provincial Government ordered the temporary closing of schools as from May 21.

The Government universities at Peiping have decided to allow all students and teachers to leave the city. All schools in Tientsin have suspended studies.

Commencement exercises for the first company of the 8th class of the Central Military Academy were held at the school campus in Nanking May 20. Altogether 505 cadets received their diplomas.

Chungshan Students Go on Strike

The entire student body of Chungshan University at Canton went on strike May 19. They decided to absent themselves from classes for a period of three days as a demonstration to enforce their demand for the dismissal of the president, Tsou Lu. The strike involved more than 2,000 students of the University. The students despatched a telegram to the Ministry of Education at Nanking asking for the dismissal of Mr. Tsou and the appointment of one of four persons, named by them, Messrs. Lin I-chung, Lin Yun-kai, Hsu Chung-ching or Ma Chun-wu.

Suspected Communists Arrested in School

A group of 41 boy students and seven girl students, who are suspected of being Communists, were arrested May 21 in the Chuangchang Middle School at Nantao by the Chinese police authorities. A large quantity of Red literature was discovered on the premises during the raid. In the trial which was subsequently held, nine of the arrested group were found to be Communists.

Japanese Trade with Asia Improves

The Japanese Finance Ministry May 15 published the Japanese trade result with Manchukuo, Kwantung Leased Territory, China and Hongkong, during the month of April, 1933, as follows: Exports, Yen 35.068,000; Imports, Yen 16,639.000; Total, Yen 51,767,000; Balance in favor of Japan, Yen 18,369,000.

Summing up the total since January last to end of April, it now stands as under: Exports, Yen 132,582,006; Imports, Yen 97,987,000. Excess of exports, Yen 34,595,000.

密勒氏評論報

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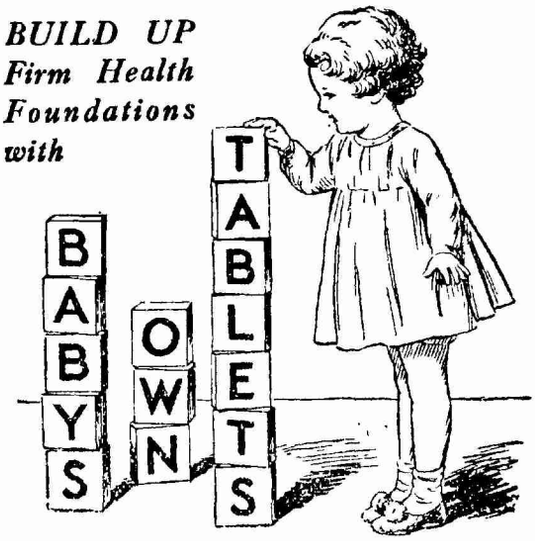
World Economic Conference Will Be Opened by King George in Person

The ceremony of opening the World Economic Conference in London will be performed in person by King George in the afternoon of June 12. His speech will be broadcast throughout the world on the greatest radio hook-up ever attempted. In the evening the British Government will entertain the delegates at a dinner at Grosvenor House when about 600 persons will be present. On June 17 the King will give an afternoon party for the Conference at Windsor Castle.

BUILD UP Firm Health Foundations with



During its earlier years the constitution of the child is being built up. Its future health and strength depend upon the care with which the child's vitality is conserved. If vitality is used up in fighting off childhood illnesses the general constitution is undermined. It is an erroneous idea that the usual childhood illnesses have some sort of beneficial effect. If a child can avoid these ailments his vitality is preserved and a powerful constitution is built up that will stand him in good stead all through life.

Protect your child from childhood ailments by taking careful note of his natural functions, for it is in the bowels or stomach that most of these ills have their source. At the first signs of "off colour" administer a few doses of

BABY'S OWN TABLETS

This pleasant-tasting babies' and children's health corrective is the prescription of a medical practitioner with special experience of children. The Tablets are surprisingly efficacious, in a gentle, non-griping way, for constipation and stomach troubles, for flatulence, croup, colic, diarrhoea, worms, colds, simple fevers and for teething pains.

Safe, Sure & Effective. For The Growing Child or The Most Delicate Infant.

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The National City Bank of New York, Rates of Exchange

Shanghai, May 24, 1933.

Demand selling rate on America:	U.S. $100=Sh. $414.51
Demand buying rate on America:	U.S. $100=Sh. $409.21
Demand selling rate on London:	£1.0.0=Sh. $16.202
Demand buying rate on London:	£1.0.0=Sh. $15.934

64-590

Latest New York Stock Exchange Quotations

Market—Strong Business Done 3,140,000 Shares

May 24, 1933

1932-3 High	1932-3 Low	Div.$ per Sh.	STOCKS	Mon. May 22	Tues. May 23
9½	1⅝	—	Adams Express	7½	8¼
103¾	42½	*6.00	Allied Chemical & Dye	101	106¾
15⅝	4	—	Allis Chalmers	13¾	14½
83⅞	29⅝	4.00	American Can	81	83⅞
16	2	—	American & Foreign Power	10	10⅝
38½	5	—	American & Foreign Power 7% Pfd.	18½	21¼
10	1½	—	American & Foreign Power Warr.	6¾	7¼
13	1⅛	—	American Metal Co.	13	13¼
31	5⅛	—	American Smelting	27⅛	29
137⅝	70¼	9.00	American Telephone & Telegraph	108⅝	111⅛
89¾	44	5.00	American Tobacco "B"	78⅞	80⅝
34½	11	1.00	American Waterworks	24⅜	25⅜
19⅝	8	—	Anaconda Copper	12¼	12⅛
12¼	4¼	—	Atlas Corporation	11⅛	11⅜
151¾	28¾	2.00	Auburn Automobiles	47½	50¼
21⅜	3¾	—	Baltimore & Ohio	15¾	16⅝
29⅞	7¼	—	Bethlehem Steel	25	26⅝
43⅛	18	1.60	Borden Company	31⅞	33¼
14¼	3⅜	—	Borg Warner	12⅝	12⅝
20⅝	7¼	—	Canadian Pacific Railway	12⅜	13¼
65¾	16¾	—	Case, J. I.	58½	61⅞
47⅞	19	2.00	Chase National Bank	24⅞	25⅞
30	4⅞	2.00	Chesapeake Corp.	28¼	29⅛
21¾	5	—	Chrysler	20	21⅞
21	4¼	.80	Columbia Gas & Electric	16½	17⅛
5⅛	1⅜	—	Commonwealth & Southern	2⅝	2¾
68¾	31¼	4.00	Consolidated Gas of N. Y.	51⅞	53⅛
12¾	3⅝	—	Continental Oil	12⅛	12¾
72¼	24¾	3.00	Corn Products	68⅛	70⅛
7⅜	1½	—	Coty Inc.	4⅝	4¾
3¼	⅞	—	Curtiss Wright Company	2⅝	2¾
18⅝	5	.75	Douglas Aircraft	13⅜	14¾
57	28	3.00	Drug Incorporated	45¾	46¾
64½	22	2.00	Du Pont de Nemours	61⅝	63¾
87⅞	35¼	3.00	Eastman Kodak	71¼	78¼
48	5	6%S	Electric Bond & Share	21½	23¼
16	2¾	—	Electric Power & Light	7⅛	6¾
5⅞	⅞	—	Fox Film "A"	2⅝	3
26⅛	8½	.40	General Electric	19⅛	19⅞
40⅛	19⅝	1.60	General Foods	30⅛	31½
24⅞	7⅝	1.00	General Motors	22¾	24
33	6¼	1.00	General Railway Signal	30⅛	31½
21⅜	8¼	1.20	Gold Dust	19½	20⅜
33¼	5¼	—	Goodyear Tire & Rubber	30½	31⅞
24½	3⅝	—	International Cement	31¾	22½
1⅞	⅛	—	International Com. Engine	½	⅝
35¼	10⅝	.60	International Harvester	33⅜	34
14⅝	3½	—	International Nickel	13⅛	14
15¾	2⅝	—	International Telephone & Telegraph	11¾	12¼
38⅜	10	—	Johns Manville	29⅝	31⅛
19¼	4⅞	—	Kennecott	16⅜	17
61½	30½	2.40	Lehman Corporation	58	59
84¼	34½	*4.00	Liggett & Myers, "B"	80½	82½
37¾	9	1.00	Loew's: Inc.	16⅞	17¾
23⅜	9	1.20	Lorillard P. Co. (Com.)	18¼	18⅞
24	3½	—	Montgomery Ward	20¾	22
64½	19¾	1.00	National City Bank (bid price)	27⅞	29⅝
36⅝	8¾	—	New York Central	27½	28½
48¼	13¾	8%S	North American Company	24¾	25¾
37	16⅞	2.00	Pacific Gas & Electric	24⅝	25⅛
5¼	1½	—	Packard Motors	4⅜	4½
28⅜	6½	.50	Pennsylvania Railroad	23⅝	24⅞
4⅜	1	—	Pennroad Corporation	2⅝	2⅞
12¾	2	—	Phillips Petroleum	12⅞	12½
60	28	3.20	Public Service of N. Jersey	46¼	47½
13⅛	2½	—	Radio Corporation	7	7⅜
7¾	1	—	Radio-Keith Orpheum	2½	2½
40¼	26⅛	3.00	Reynolds Tobacco "B"	40	40⅝
37¾	9⅞	—	Sears Roebuck	25¾	26¾
8¾	2½	—	Shell Union	6⅞	7
13⅜	2¾	—	Simmons Company	10½	12
12¼	5¼	.40	Socony-Vacuum Corp.	10½	9⅞
32¾	15¾	2.00	Southern California Edison	20½	20⅞
84¼	5¼	—	Standard Gas & Electric	9⅞	11¾
37¾	19⅞	1.00	Standard Oil Co., of N. Jersey	34	34⅝
18¼	9¼	1.00	Texas Corporation	18	18⅝
28¾	12	1.00	Texas Gulf Sulphur	25¼	26¾
7¼	2½	—	Trans America	5⅝	5¾
86¾	15½	1.20	Union Carbide & Carbon	33	34⅞
94½	27⅝	6.00	Union Pacific	89⅛	93½
34⅜	6½	—	United Aircraft & Trans.	27	28⅛
14	3¼	.40	United Corporation	8	8⅝
22	9¼	1.20	United Gas Improvement	18½	18⅞
10¼	1¼	—	U. S. Rubber	8½	9¾
52⅝	21¼	—	U. S. Steel	47⅜	49½
36	11	2.00	Universal Leaf Tobacco	35	37
23¾	5¼	—	Vanadium	18½	19⅝
4¼	½	—	Warner Bros. Pictures	3¾	3⅛
43⅛	15⅝	—	Westinghouse E. & M.	35¾	37⅝
45⅝	22	2.40	Woolworth	36⅛	36¾

*Plus Extras Call Money 1% 1%

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